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A GLANCE  
AT THE  
WAGES QUESTION IN ENGLAND.

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BY  
CADWALLADER J. BATES, M.A.,

JES. COLL., CAMB.

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"IT IS IMPOSSIBLE FULLY TO UNDERSTAND THE EFFECTS RESULTING FROM COMBINATIONS OF WORKMEN UNLESS IT IS REMEMBERED THAT SIMILAR COMBINATIONS ARE FORMED BY THEIR EMPLOYERS."—PROFESSOR FAWCETT, M.P.



WILLIAMS AND NORGATE,  
14, HENRIETTA STREET, COVENT GARDEN, LONDON; AND 20, SOUTH FREDERICK STREET, EDINBURGH.

H. W. WALLIS, CAMBRIDGE.

ANDREW REID, PRINTING COURT BUILDINGS, AKENSIDE HILL, NEWCASTLE-ON-TYNE.

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1878.

**NEWCASTLE-UPON-TYNE**  
**ANDREW REID, PRINTING COURT BUILDINGS, AKENSIDE HILL.**

The old excuse that nobody has done what urgently needs doing, is the only one pleaded for a production, which must aim rather at a roughly systematized review of the Question of the Day than at its definite solution. Originally undertaken for the purpose of allaying the party bitterness of a local trade dispute by calling attention to more general and neutral principles, my task has been completed with all the hurry-scurry common to ephemeral essays, while studies of a most discordant and contrary kind have rendered its composition inconceivably difficult, and considerably delayed its publication. Except in two or three places, few original ideas crop up, and as a popular grouping of old ones has been their mother-thought, these leaves have been obscured with neither reference nor controversy.

C. J. B.

*Heddonbanks,  
Northumberland.*

I.—CAUSES AND CONSEQUENCES OF THE WAGES SYSTEM.

II.—FREE INDUSTRY.

III.—OLD METHODS OF REGULATING TRADE,

IV.—UNIONS OF EMPLOYERS AND EMPLOYED.

V.—POPULAR SOLUTIONS OF THE LABOUR QUESTION.



## A G L A N C E

AT THE

# WAGES QUESTION IN ENGLAND.

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VERY sanguine people still imagine that some day or other our system of government will be perfected, and that, as party politics sink into the background, a feeling of mutual interdependence and a consciousness of common aims—both absolutely essential to the progressive vigour of any society—will spring up in all members of the commonwealth. National life of this description would every day become less of a dream and more of a reality, if questions of an entirely different stamp did not again threaten its destruction. The first and foremost of these social problems deals with the manifold relations subsisting between Labour and Capital.

From those very lands which make loudest boast of their civilisation, we hear of the frequent disputes of workmen with their employers, and of employers with their workmen, sometimes carried on within the limits allowed by law, sometimes involving scenes disgraceful to brutes and savages, but always, whatever be their results, leaving an immense amount of ill-will behind them, and impoverishing more or less both parties engaged in the struggle. All countries in which manufactures flourish to a considerable extent have had ample experience of these disputes ; but England has the ill luck to be exceptionally liable to them, since, contrary to the system of agriculture elsewhere pursued, few of our farm labourers have any part or parcel in the land they till or the cattle they tend.

In accordance with that national character, which constitutes our common heritage, we cast all questions crossing our path into forms intensely practical. Hence, while socialist agitators on two Continents are squabbling all round as to the exact constitution of that model society they would fain invent, after having sent to the dogs every existing relation between man and man, our hand-working fellow-citizens form leagues with a view to obtain the highest possible wages for the least possible work ; a step which is promptly met by counter-confederations on the part of their employers. The main point then, in discussing the wages question under the aspect it wears to-day in England, is to ascertain whether workmen and employers occupy better relative positions by grouping themselves into rival Trade Unions, or whether the welfare of each individual and that of people in general be not best forwarded by every man giving or receiving whatever price for labour he himself sees fit, when acting under the sole guidance of his own intelligence.

It cannot be too earnestly driven home that the claims of Present Labour and those of Past Labour, of which Capital is the surviving representative, are to be treated and tried on a footing of perfect equality. Political science may not take a brief on either side, but must judge the matter on its economic merits, and equally deplore the signal victory of masters or of men. An honourable instance of a wish to deal fairly in this way is furnished by the old law of France, which prohibited combinations either to raise or to lower the rate of wages. This might have proved a great boon to that kingdom, if it had not been easy to drive a chariot and eight through its provisions ; for capitalists few in number formed effective leagues without exciting the suspicions of the most watchful spy, while labourers during their dinner hour, and on leaving their work, concerted plans of joint action without dread of discovery. The legal right to combine cannot be gainsaid ; but if its consequences be mischievous to all alike, it becomes a matter of self-interest, and even a moral duty, not to make use of it.

All such combinations are intended to protect the interests of their members from the effects of competition ; the theory on which they rest is therefore called Protection. Free Trade, on the other hand, is

grounded on the belief that, so far from competition being disastrous, it is most beneficial even to those it seems at first sight to injure. There is nothing lop-sided in the doctrine of Universal Competition ; the system of industry it favours requires Free Capital quite as much as Free Labour, and it says something for its truth if in the midst of a general strike or a general lock-out it may complacently censure both the contending factions. Adam Smith in his master-work on the Wealth of Nations pleaded for the adoption of this doctrine not only in international commerce but in internal affairs ; and the overthrow of old-fashioned Trade Unions naturally accompanied the repeal of the Corn Laws. The argument against protecting home industries from foreign competition by means of heavy import duties has been stated over and over again with striking clearness ; one simple illustration, however, may convey a more instructive idea of the system and its merits than can the longest trains of reasoning—Would it not, let us ask, be better for England to raise her tea, coffee, and sugar, at home instead of being indebted for them to foreign labour ? Hothouses might be erected for their cultivation, and the construction of hothouses would give a great impetus to our iron and glass trades : an enormous tonnage of coal would be required for the stoves, and gardeners and stokers be in such demand that they might get just whatever wages they liked. Let, then, the importation of tea, coffee, and sugar, be checked. Such a proposal, it will be said, is in every respect sheer madness—in the course of our inquiry we may see that some of the most prevalent ideas of the hour are either a people's edition of this huge paradox, or would lead straightway to it if the arguments on which they rest were reasoned out to their legitimate consequences.

Public feeling may be softened towards Trade Unionists, when it is seen that they are only holding the last stronghold of Protection, after all its outworks have surrendered to Universal Competition. Historical studies lead us to respect the time-honoured prejudices of the more outspoken union leaders. The idea that there ought to be some maximum rate of profits lingered in those old laws against usury, by which at the beginning of this century the interest on capital was tied down to five per cent. ; High Church divines in the reign of Charles II. denounced



"the immorality of interest" as fiercely as any Red Republican can denounce "the tyranny of capital;" country gentlemen, disgusted with the higgling nature of commercial industry, were formerly credited with cavalierly detesting all trades and all traders; and the proudest aristocracy in Christendom allowed its members to follow the plough or enter the domestic service of a brother noble, but if one of them was caught buying and selling, his coat of arms was defaced and his privileges forfeited. An account of the attempts made in the past to establish legal prices, not only for labour but for bread, ale, and broadcloth, might serve to show that these and kindred undertakings are not likely to meet with more success in our own age.

It is not my purpose to compose "a treatise on wages." Elementary knowledge of economic principles is, however, so terribly scarce among us that, before examining the various social dilemmas in which we find ourselves entangled, it is needful to skim lightly over a few leading theories connected with the wages system, to ascertain the causes which have gradually led to its adoption in England, and to acquaint ourselves with the manner in which the respective shares of wages and profits in the produce of industry are determined in an open market. Then, and then only, can we fully understand the influence and estimate the worth of those confederations which have striven, and yet strive, to turn the scale that weighs the services rendered by Labour and Capital, to the advantage, now of the one, now of the other.

If the results of Economic and Moral research be not irreconcilable, that is to say, if a prudent regard to self-interest be in itself as much a virtue as the love of fellow-beings, and only, like all other virtues, apt to become a downright vice when so inordinately developed as to dwarf and smother the rest, then the theory that one group of society can only attain its highest welfare by subtracting from the gratifications of some other group must have a flaw in it somewhere. On these very grounds Dean Tucker, before Adam Smith had put forth his "Wealth of Nations," was led to advocate Free Trade; he considered it utterly incompatible with the vaguest belief in divine providence that one nation could only maintain its prosperity at the expense of other

nations. Similar sentiments, though possessing no scientific value, seem already to have wrought a most beneficial change in the opinions of the more enlightened Trade Unionists of the day; the task they set before themselves is not now the encouragement but the avoidance of social warfare. If it can be shown that lock-outs and strikes are inseparable from a system of regulating wages by means of two hostile trade associations, the great majority of thinking workmen will, it is believed, embrace the principles of Free Industry. The last portion, then, of this pamphlet will be devoted to a review of those various schemes which have for their most praiseworthy end the reconciliation of employers and employed.

#### I.—CAUSES AND CONSEQUENCES OF THE WAGES SYSTEM.

The origin of wages is not to be explained by the mere fact that some have saved themselves or had saved for them a greater store of worldly gear than others. It is quite conceivable that the possessor of considerable property may abandon his own business, and take service with some less wealthy neighbour, since, whereas, before he was never sure what tangible result his daily toil would yield he can thenceforth obtain a permanently fixed salary. Nothing weighs on the human mind more heavily than uncertainty as to the future; we frequently see lawyers throwing up flourishing practices in order to give their whole time to county or town affairs for stated stipends of far less annual value, and popular preachers considerably docking their incomes by accepting benefices instead of depending on the varying pew rents of proprietary chapels. To work for wages implies no social degradation. The power of calculating beforehand to a nicety the exact sum we are justified in spending daily throughout the year in this world of change and chance is a most astounding piece of social mechanism; without it people would be wretched, thrift impossible. No wonder then that those to whom the question between a shifting and a settled revenue is not one of a few more or a few less luxuries, but involves the presence or the absence of daily bread, should wisely prefer to insure themselves against the risk of working from dawn to dark at jobs which when finished fail to bring in a livelihood, and

should gladly accept offers made to assure them a definite position in exchange for their labour, while the direction of it is left to the bearer of the risks, or in other words to the receiver of the fluctuating profits of the enterprise.

By this exchange of services, an association is formed between employer and employed, the character of which is liable to be misunderstood. Every time two men carry a log of wood which neither of them alone could move, we see clearly enough that they are working together, and that the result obtained is so disproportionate to their several strengths, as to fully bear out the witty remark, that an association is a combination, in which one and one make four; but if, instead of doing precisely the same work, two men can obtain an infinitely greater result by taking each a special part in contributing towards a common end, their co-operation, though it may no longer be visible, is none the less genuine. This principle leads to that division of employments on which the whole fabric of society rests, and of it there is perhaps no better example than the raising or procuring, by one set of men, a sufficient amount of food, fuel, and raiment, to support others during their work on materials, and with instruments which they also have provided; or in short, the existence, side by side, of capitalists and labourers. A King of Saxony, when he visits his mines, puts on a working-apron, and styles himself the first miner in his dominions, merely gives striking expression to the truth, that in every industrial undertaking, the employer of labour is himself the chief working-man.

The sea, not like the land the subject of various conflicting tenures, is the best field for impartially observing such social phenomena. The owner of a small fishing-boat, we will suppose, engages a young man to help him, on condition of his receiving half the result of their day's voyage. The number of fish they catch varies constantly, and the young man who, as a labourer in the strict economic sense of the term, may not turn capitalist by saving himself, lives one day in plenty, the next in want. After both of them have had an opportunity of estimating the average quantity of fish netted, he is struck with the idea that it would be far better did he know positively how many each day would

fall to his lot:—let his employer give him thirty of the same sorts and sizes all the week through, and speculate for his part on their being few or many. The terms of the contract are accordingly altered in this spirit, and no further change for the mutual benefit of the two fishers might seem possible; the younger one, however, at last comes back to say that he cannot tell whether he is wise in sticking to the sea; he is certain how many fish there will be for him every day, but is by no means sure what will be their value in the market, that is to say, for what quantity of bread, meat, clothing, and everything they will exchange; if the capitalist would give him thirty pence in lieu of thirty fish a day, he could then plainly see whether he could make higher wages at plough or anvil, what amount of commodities his earnings would purchase, and thus adopt a uniform standard of living, without the bother of taking his cod, ling, and halibut, to market. It is equally to the liking of the boat owner to know what the exact cost of his fishing venture will be; he, therefore, readily agrees to the proposal. A working-man, of his own free-will, has thus, with good reason on his side, begged for and acquired fixed money wages instead of an ebbing and flowing share in profits; but who can say that the association between these two fishermen has, in consequence of this arrangement, been broken up? It has, on the contrary, been perfected. If, however, the younger one had been able and willing to speculate on the probable result of a day's fishing, he might have taken all the risks on his own shoulders, and paid for the boat a certain fixed rent, or, in other words, a fixed amount of interest on the invested capital to its owner, who, in that case, would gain the mental ease and comfort which the assurance of a definite income conveys.

The fallacy that because Labour is an essential element of all Value, the produce of industry cannot but bear some settled proportion to the labour spent over it, is very widely spread. We are apt to fancy that if two men work equally hard for the same length of time at two objects, these, when finished, will, as a matter of course, exchange one for the other; in reality their value will depend on what chances to be the demand for, and supply of, such articles at the time of their completion. One woman stoops to pick up a black pearl on the beach, another to

glean a handful of corn in the harvest field; the labour in both cases is the same, the resulting values admit of no comparison. Events generally unforeseen may capriciously alter the value of any article:—the celebrated Kosciushko, pulled up his horse before the shop of a starving saddler in Warsaw, and having called for a riding-whip declared, with much ado, that none like it were to be got elsewhere in the Polish capital—his whole retinue bought up there and then all its fellows at fabulous prices, and their despairing maker was, as the hero had intended, made in a trice comparatively rich and happy. In most instances, the chances which will regulate the price of commodities in the future can be calculated with tolerable precision; all men, however, have not got that power in the same degree, all do not cultivate it alike. The intelligence with which labour is applied makes all the difference between its being productive or unproductive; and as it is most important that the productive power of any country should be developed to the utmost by the expenditure of all labour on such objects as are, or will be, most sought after by the community, it is manifest how large a share in the produce of industry may justly be set aside as those wages of direction, which form part of a capitalist's profits. In order to spur men to use their labour, whether of body or of mind, in the way most productive of utilities, satisfying the wants of others, it is expedient that they should become possessed of the full value of their work, however grossly it may seem to exceed the pains it cost them. Nothing in the distribution of wealth or rank appears so unjust, as that one man should come into the world with inborn talents, surpassing those of all his contemporaries. A Turner, with a few dabs of a brush, a Landseer, with a few strokes of a pencil may make large fortunes, while some luckless Dick Tinto, with still greater pluck, push, and perseverance, may die, run to earth in a garret by sheriffs' officers; yet men like the former might never have unnapkined their talents at all, the public might never have derived new pleasures from their works, had they, and all other artists, been merely paid a common yard price for the canvas and paper they covered.

With all this in our minds, we may be more ready to admit that the landed property of nation, commune, peasant, or duke, merely

means that certain previous services have been incorporated with the soil, and that Rent in its origin is nothing more than interest on fixed capital. An island, Australia for instance, was worth nothing before it was discovered and peopled; the first colonists made land there valuable, not only by cultivating it and importing live-stock, but by making it the scene of their exile. As long as there is any land in the world unappropriated, no one will give more for that already possessed than the present value, however exorbitant it may seem, of the past services invested in such land, and if ever the whole face of the globe should be cut up into estates, the competition of their owners would bring about the same result. It is, however, by no means true that the value of land expressed in present labour, is the exact equivalent of the past labour spent on it; sometimes it is more, sometimes less. Improvements in agriculture may allow land to be cleared with far less pain and trouble than formerly. The Duke of Sutherland, with steam ploughs and all kinds of modern contrivances, may be able to form a field with ten times less labour than it cost some aboriginal Highlander to bring an adjoining one into cultivation, and the invested services of the latter may be worth, in the nineteenth, only a tenth of the labour they were in the fourth century.

The making of railroads, the growth of population, and the increase of national wealth, confer no greater benefits on landowners than on the rest of the community. A banker in London is in better business than a banker in Bath, a joiner in Newcastle obtains higher wages than one in Bellingham. Everybody and everything, no doubt, gravitate towards places where they are most appreciated, and in this, landed investments are at a great disadvantage—floating capital can be removed, and labour turn into fresh channels, but real property, like a legless vegetable, must stay behind. The right people to complain of the monstrous rise in the value of land near places like Middlesborough and Barrow, are not the labourers of the kingdom, but the owners of similar property in purely agricultural districts. Railways have lessened the liveable area of the country, for no one cares to reside at more than three miles from a station, thus, the price of land rises in one place, and tends proportionally to fall in another. Envy readily

notes the first phenomenon, Pity catches no glimpse of the second. A similar fate attends Capital. Coalowners may cram pit-shafts with sovereigns which they never will see again—mass meetings are not called to condole with them; but if one of their successors happen, in one year out of twenty, to clear four-hundred per cent. on his fresh outlay—he is a target for all the thousand-ton guns of mob eloquence.

The yearly return from landed property in England is extremely small, rarely exceeding three per cent.; the purchaser of an estate always speculates on its rising in value, and thus invests, as it were, one per cent. in it every year. Labourers and capitalists, as well as landholders, have had their full share in the increase of wealth that has taken place since the beginning of the century; the Funds are now worth 40 per cent. or so more than they were in the year 1800, and, generally speaking, the standard of living among working-folks has so greatly risen that it will soon be as difficult to come across a pure Georgian dwelling-hovel as a pure Georgian church.

No doubt there can be a monopoly of land as of everything else, but the fact of there being a Landowners' Union in England to forbid its being sold or let below a certain fixed price has not yet oozed out. 'The Working Man's House' in Victoria has, it is true, passed a law to artificially raise the price of every acre there forty shillings, but whether English emigrants will see the justice of paying to that State 'the unearned increment' produced by this monopoly, for it to be lavished on to townsmen, is another matter.

After this gallop through the theoretical bearings of the land question we may now see these principles at work, since Europe still affords living examples of the several stages through which the world has passed. Foreign travel for this end is capable of a far higher degree of true pleasure than a mere hunt after the picturesque in the landscapes of nature, or in the handiwork of men.

Civil society started not from the individual but from the family. Recent research teaches us to venerate the Agricultural Commune as its most ancient form, and the 'Mir' or Village Union of Russia has, like a social mummy, been fortunately conserved to show the nineteenth century its merits and shortcomings. The district round a large village

belongs to its inhabitants collectively, the pastures are grazed in common, while the ploughed land and meadow are cut up into strips, equal both as regards quantity and quality, one of which falls every year to the lot of a fresh family. Under these circumstances there is evidently no inducement for any one to make permanent improvements, or even to save the soil from premature exhaustion; in fact the homestead and garden, or to use good old English terms, 'the toft and croft,' which form the only private property of each family, in the luxuriant contrast they present to the common fields, supply an almost crushing argument against communistic tenure. By the very nature of things the land is gradually divided in perpetuity; each family on receiving a share to itself becomes trebly prosperous, and the change in the look of the countryside is magical. On the other hand, the loss of corporate feeling which accompanies this transformation has led me more than once to ardently wish that these old Village Unions, instead of crumbling entirely away, might be reconstructed on modern co-operative principles; but the emancipation of the individual from the absolute will of his fellows which plays so marked a part in all social progress, and the desire a man has to call a plot of ground his very own, which may nearly be considered an elementary spring of human action, tell as much against the new as against the old form of collective tenure.

The peasants of Poland and Germany with their houses and farm buildings clustered into villages, while each has his own holding in the neighbourhood, enjoy perhaps the happiest combination of private property and social life. It is needless to dwell on the charms of that golden age; we may, however, remark that the highest mental culture to which hand-workers have yet attained is found under those conditions. Not long ago, on the southern slopes of the Carpathians, Slovak husbandmen, clad in unsavoury sheepskins, poured forth at village meetings whole orations of Ciceronian Latin, and proudly headed the resolutions they passed with the words "*Senatus Populusque*," as though they had been legislating for the world in the forum of ancient Rome; and on the north side of the same mountains it is by no means



rare for a student laden with all the university honours of Cracow or Lemberg to return to his ancestral plough. From an agricultural and sanitary point of view, the removal of the homestead out of the village into the very centre of the ploughed land belonging to it is a great improvement. This has very generally been done in Ireland and in Belgium, where a peasant whose whole day is spent with his family, and has neither employer nor fellow-workman, runs great danger of being isolated from the world.

It is constantly hinted and often affirmed that English landowners have some bitter prejudice against a man owning the soil he cultivates. Nothing can be further from the truth; the extinction of the old races of north-country lairds and south-country yeomen is almost universally lamented, and of course by none more so than those whose political opinions have most in common with such classes. Small landholders are not unfrequently hardheaded foes to new-fangled changes; thus in Prussia the ordinary peasant is no staunch conservative but a rampant reactionist. "We still pay our king!" one of them said to me last summer, "why on earth doesn't he see that we are well governed, as our kings used to do, instead of plaguing us with 'realm-days and land-days,' parliaments and county boards, and thus causing our taxes to be doubled?" Still, in spite of any fears on this score, every encouragement should be held out to working landowners in England; under the Ballot it is to be hoped that the evil influence so long exerted by attorneys in hindering the transfer of land by merciless charges and prodigal title-deeds will be effectually quashed. Fish cannot, however, live out of water, and any attempt to generate spontaneously a race of peasant proprietors without due regard to the surrounding atmosphere is foredoomed to failure. They flourish best in that period of social development when larger landowners reside on their estates. In some foreign countries the value of a demesne solely consists in securing the squire a livelihood as long as he lives on it, with carriages, horses, servants, and shootings into the bargain, whereas, if the place came to be let or sold he would get next to nothing out of it; the same often holds good of the land belonging to a small freeholder. But in a

country of commercial enterprise and accumulated wealth like England, where too the demand for butchers' meat renders, in most parts, corn-growing unprofitable, a working landowner discovers that by selling his estate he almost doubles the yearly income he received from it, has the capital employed on the farm into pocket, and with considerable less exertion and less worry obtains twice as much for his labour by taking service with another as he did when his own master. By doing this he considerably betters his material position, and has in a town or manufacturing district chances of making his way in the world, which a score of paternal acres could never have afforded.

The natural causes which have led, and would lead peasant proprietors in England to sell their estates, if they are not to be chained like serfs to the soil by some benevolent law, are equally those for which well-to-do labourers in colonies like Queensland, where land is dirt-cheap, prefer remaining in vast towns, out of all proportion to the rural population. Husbandmen, like poets, are born not manufactured, and artisans who began to turn land-owning peasants would soon plunge themselves into the same difficulties as country gentlemen who, jealous of the apparently large profits of their tenantry, take farms into their own hands. The Manchester mill-folks, for whom Fergus O'Connell bought Gloucestershire estates with some of the money he got out of our working population, are said to have been so thunderstruck at finding they could not listlessly pluck potatoes from trees, but were expected to fork manure and follow the plough, that they set out post-haste for the North, leaving the ungrateful soil to its fate.

The consequences resulting from the wages system are to a great extent the causes which lead to its adoption. The certainty of the future, which it conveys, can be infinitely extended by the payment of trifling sums to various provident associations, so as to insure the poorest against loss of employment by slack trade, sickness, or age. The connection which, when properly understood, it establishes between employers and employed, is one of the stoutest rivets of society; while it is no less favourable to the physical development of the employed, for the case of a hired labourer willingly over-working himself is rare indeed, but people, when their own slaves and lost

to all higher motives than material gain, not unfrequently injure their own health and that of their offspring. Everywhere abroad the wives of petty landowners work all day in the fields, in some places the whole family gets up to thresh in the middle of the night, and within sight of the towers of Wittenberg, the penurious German peasant must needs make a practice of ploughing on Sundays. Then too the freedom from care which a wage-taker enjoys compared with the constant anxiety of a trader, would, if turned to good account, give rise to a degree of mental culture, to which no limit dare be assigned: the one puts down his trowel, saw, or pick, and his work is over, the business of the other aggravates his night-mares and dissolves his day-dreams.

Comparisons drawn between English agricultural labourers and foreign peasant proprietors are scarcely fair, since the latter must to a great extent be regarded as capitalists; when carefully made, however, they generally furnish results which revolutionise our previous ideas on the subject. M. Taine, a writer not given to taking bright views of England, favourably contrasts the open and polite bearing of our south-country farm-labourers with the clodpated distrustfulness of French peasants. My own rambles in central France certainly leave the impression that even Devonshire Giles has far more comforts than Jacques Bonhomme, and is only less happy when less contented. A German "bauer" has often two or three hundred acres of land and several servants; no people on the other hand can exist in a more deplorable fashion than the "gartners" and "halb-gartners" of Prussia, who only own minute plots of ground; in spite of all that has been written on the subject, Education is immeasurably more backward in rural districts there, than it is with us. In Slavonic countries the cultivators of the soil enjoy still less material prosperity, but that makes them all the more interesting to a lover of art and literature; the charming quaintness of their character seems as much the result of poverty, as picturesqueness frequently is of squalor and decay.

It is often urged against the wages system that the hired labourer has no personal interest in the success of the work in which he is engaged, and, therefore, in blank despair merely does as little as badly

as he possibly can ; if this were true, his whole life would necessarily be one continuous piece of irksome drudgery. There is a tradition that once upon a time English workmen were foolish enough to take an instinctive pride in the result of their day's labour, and the satisfaction it gave to their employers. That feeling has been exploded. In its place many imagine they have made the wonderful discovery, that the less work they do, the more pay they will get—a doctrine never more lucidly explained than by the Tyneside miner, who declared that since when wages rose fifty per cent. in the Golden Years he only did half-work, if they had gone up another fifty, "he wudna ha' wrought at a'." It is a most remarkable instance of the crying need for intellectual training in walks of life, popularly considered the most grossly material—well worth the study of those who sneer at 'over-education'—that the labour of free British working-men will soon be as expensive and defective as was that of American slaves, unless their minds can be opened to scientific truths, of which little more than a century ago the Minister of England was almost boastfully ignorant ; that is to say, unless by the progress of education, beyond the bounds of mere Government instruction, a rational love of work can gradually be built up on the ruins of that instinctive pride, which a former generation is supposed to have taken in it.

## II.—FREE INDUSTRY.

No one who crosses the threshold of Political Economy can avoid being both charmed and instructed by that telling picture of divided occupations which Adam Smith has taken from the very trifling manufacture of pin making. We there see how nine or ten men by each applying his labour to the distinct processes of drawing, straightening, cutting, and pointing the wire, grinding its top, making the head and putting it on, whitening, and finally marshalling the pins in paper, can make four thousand eight hundred of them in one day, while if they had all worked at the same process, probably not nine would have been turned out among them. It requires, nevertheless, a long apprenticeship to that science before we can fully realise, that even yet more astounding is the effect obtained in a great national workshop by splitting our army of industry into the three brigades of Labour, Capital, and Land.

The material prosperity of a Nation is raised to the highest pitch when the energies of all its members, and the natural advantages it has secured, are turned to the most profitable account ; when its Land, its Labour, and its Capital are employed in producing the greatest possible number of utilities such as people most desire. The way in which this can best be brought about, is surely not by the confusion, but by the division of these three elements in national production. If each Landholder make it his special business to reap the highest rent he can from his property, consistent with its being kept in an efficient state ; if each Capitalist devote his savings to such undertakings as yield the highest profits, after due allowance has been made for risks ; and if each Labourer seek the highest wages, compatible with a healthy condition of mind and body, that he can procure in any market ; then, when the produce of the country comes to be distributed, every man will receive his share in the grand total, which this separation of employments has immeasurably increased, according to the services rendered by him to his fellow-citizens.

In the very science which ‘traces the phenomena of the production and distribution of Wealth up to their causes, in the principles of human nature and the physical laws of the external world,’ we may, with more truth and less declamation than anywhere else, proclaim that ‘Money is the root of all evil.’ This is peculiarly the case with all questions connected with wages. Employers and employed are all too apt to forget that the bits of gold, silver, and bronze, by whose aid they are wont to express the amount of their respective earnings, are as nothing compared with the real gratifications for which these coins exchange. Billions of economic fallacies would have been nipped in the bud, if people had been obedient to the good old English maxim, which bids them regard ‘Not money, but money’s worth.’ A man bent on spending ten shillings in a baker’s shop when the quartern loaf costs only sixpence, is no worse off than if he had a whole sovereign, and the loaf stood at a whole shilling. The Real Wealth of a Nation is the sum total of the gratifications its citizens are able to enjoy.

Here, again, we may note the close connection between Morals and Politics ; as Dean Tucker was the first teacher of Free Trade, so Dr. Barrow, in the seventeenth century, defined Wealth with almost more

precision than do the 'Harmonies Économiques' of Frédéric Bastiat. 'Wealth,' preached the learned Master of Trinity, 'consisteth not so much in the Possession of Goods, as in apprehension of freedom from Want and satisfaction of Desires.'

The cheaper everything is, the wealthier is the nation; the fewer the pains with which pleasures are purchased, the more enjoyable is life. In dreaming of an Earthly Paradise, we are lead to conjure up in fancy some fairy-land, where every want of Man is satisfied without any disagreeable effort on his part, and where, therefore, nothing can have any exchange value whatsoever. As it is, when the product of some special industry rises in value, those connected with other industries suffer. If the profits of farmers and the wages of farm-servants did chance to be increased by an advance in the price of wheat, miners, all other things biding as they were, would be worse off for daily bread than formerly; whereas, if it was the coal-trade which enjoyed an exceptional advantage, agricultural capitalists and agricultural labourers would incur heavier expenses in warming themselves and their food. The vast majority of society is not employed in one special trade; the interests of consumers deserve, then, quite as much consideration in the councils of the State as those of producers.

Again, the real Wealth of a Nation as just defined may be likened to a pool or pile of money at cards. Coins are the counters which entitle their holder to a certain share in the central fund; the more money it contains, the greater the pecuniary value of each counter. Every successful player is absolutely richer when the stakes are high; relatively richer when he wins more than his fellow-gamblers. This difference between Absolute or National and Relative or Individual Wealth is well illustrated by the case of machinery. In making Nature do his work, a manufacturer cannot charge anything for her services, since should he gain more than the average rate of profit through the use of air, water, wind, electricity, or gravitation, others would at once procure the same machinery; and by their competition again bring his profits into harmony with the services he renders. Every invention in any branch of industry tends to lessen the value of its produce; the price of calico has of course considerably dropped

since by means of chlorine it has been bleached in six days at Lancashire factories, instead of being sent to lie six months in the fields of Holland. The Dutch and those who had large stocks of calico, or were concerned in its carriage to and fro, were made relatively poorer by this discovery, but the real wealth of mankind and the demand for calico-making labour were immensely increased.

Few, it is imagined, will question the accuracy of the positions hitherto occupied in this section. Many, however, who admit that the real earnings of Labour and Capital, which result from their joint work, are enormously multiplied by the productive power of a country being developed to its utmost, will express their uneasiness lest, when the produce of industry come to be divided, these two co-operators adapt an old fable to the world's stage, and play the parts of Nobel, the lion, and Cuddy, the donkey. In considering the Wages System we saw that the exchange of services between an employer and his workman was no mere barter, but co-operation in an extremely perfect form. It is now equally necessary to clearly state that, although it is the one true interest of both to produce the greatest number of useful things at the lowest possible cost, yet when it comes to apportion the value of the services they render to society, each for himself must make the best of the bargain. Did they not do this, then either Labour or Capital might be employed less productively than it could be, and the Nation thus be a loser.

There is only one rule which determines the exchange value of everything:—an equation between the estimate of a buyer's services existing in the mind of a seller, and that of the seller's services existing in the mind of the buyer; or to put it roughly, an equation between supply and demand. Interest, the price paid for the use of capital and Wages, the price of labour, are regulated by precisely the same law as determines the pecuniary value of land, wheat, diamonds, coats, books, and opera-boxes. The well-known expression, 'a fair price between man and man,' when used without implied satire, can only mean that price which is settled by keen competition between buyer and seller. The fair price of an orange is the highest price you will give, and the lowest an old stall-woman will consent to receive.

In England we do not, it is true, higgler over the prices we pay in shops, but on the Continent woe to the luckless outlander who attempts to make a purchase, where no card bearing the words 'Prix Fixés' dangles in the window. Abuse of our more practical system of shopping has led to the rebellion against tradesmen's charges carried on in Co-operative stores; from which, as from all similar cases, we may learn that Custom leaves us in the mire, while Competition aids our march onward.

The common phrase, 'a fair day's wage for a fair day's work,' admits of no different interpretation than that of being the wage which a capitalist gives and a labourer takes, when both possess individual freedom to accept or to decline the contract. The terms of the bargain may be varied in any way, according as the supply of labour, or the demand for it, prevails in the open market. Two limits, however, they cannot overstep; the employer must have some sort of profit from the transaction, the product must have a little more value than the price he pays for production, and the workman must earn sufficient for his keep. If either of these two conditions fail, or both of them at once, as too often happens in these days of Giant Industry, no agreement can be made, and the trade with which it was concerned, in spite of all the wishes of employer and employed, must come to a standstill. Although this is obviously true, it is well to bear in mind that since the laws of Political Economy, only express tendencies to which actual facts more or less correspond, experience not unfrequently shows us wealthy manufacturers speculating in the continuance of business under heavy losses, and labourers, who have treasured up their own little store of capital, working during a depression of trade for wages which otherwise could not keep body and soul together.

The bargain in which Capital and Labour are exchanged is often denounced as leading to a contract which, in all other cases, the law of the land would pronounce invalid, because the parties to it were not in precisely the same condition; the one, they say, can bide his time, the other is goaded by hunger into surrendering at once. This is sometimes true, in isolated cases, when there is no general settlement of the rate of wages, and the competition, which should be in full swing on both sides of the market, is thus virtually restricted to one.



Often, however, it is the very reverse of truth; not unfrequently employers are made victims of their pressing need—an engine which must be kept constantly going may be stopped—an important trade connection irretrievably severed—a profitable contract changed into a ruinous bond, unless they agree, in the twinkling of an eye, to the dictatorial demands of those they employ. Farmers are especially exposed to this danger; a general strike commenced at seed-time or at harvest leaves them completely at the mercy of their men. We may however remark, with more unalloyed satisfaction, that numbers of English workmen are already small capitalists themselves. Men of this composite description naturally enjoy better opportunities and more advantages in their quest of work, than do the labourers of political economy, who, for scientific purposes, are always considered to be starving paupers.

The happy tendency of this last fact to induce wage-takers to lay up some provision against the future affords a strong ground for confidence in our national stability. There are moreover no such sharp divisions between groups of labourers and groups of capitalists, as we generally assume in discussions. Nor is the entire working population of the country told off into particular pens of industry, but in all trades there is a constant movement of immigration and emigration at work; whereas, if we lent a ready ear to the popular doctrines of the hour, we should soon imagine that 'once a labourer, always a labourer,' 'once a miner, always a miner,' were fundamental axioms of society. This power of freely changing from employment to employment, and from place to place, most clearly distinguishes a free workman from a slave. The costs incident on entering special trades, and the risks involved in the pursuit of them, cause wages to be high in some, and low in others. Nothing, however, can fully account for those inborn tastes which lead different persons to adopt different callings. No one can you tell what you like, as well as you yourself can. Almost incredible, for instance, does it seem that men, who could earn even half-a-crown at some cool handicraft, should sell themselves to puddle iron in the most superpurgatorial heat for anything below five guineas a day. Not, too, until you are told how preferable it is to be snugly 'in by'

down some dry pit for a few hours, instead of struggling all day long with sleet and slush, and learn that the average number of accidents is less at properly managed collieries than with reaping and threshing machines, can you understand why miners do not obtain thrice the daily wages of husbandmen. It is certainly strange that an individual workman can be trusted to accomplish by far the most important changes in his industrial career on his own sole responsibility, to choose for himself his own trade, while the moment he enters it his equally fallible fellows declare him so hopeless an idiot that unless curbed by all sorts of regulations and restrictions kindly devised by them, he would suicidally ruin himself forthwith. M. Fourier showed undeniable consistency in proposing that individuals should have their field of labour assigned them by universal suffrage; but in that case a popular lover of machinery might be appointed Poet Laureate to the Commune, an unpopular lover of poetry be doomed to drive a locomotive, and neither the elegance of composition nor the safety of passengers be improved by our adoption of Fourierism.

A man, whether working for himself or for another, manifestly cannot do so to any good effect, unless he is in a fit state of health, and in full possession of all his faculties and energies. Whether all who labour on their own account sufficiently recognize this, appears to me, after no short experience of continental life, very uncertain; no master is the great tyrant a landowning peasant can be to himself, though bodily fatigue in his case may be considerably counterbalanced by a contented frame of mind. A slave-owner, on the other hand, would at once perceive that it was against his interest to keep beings subject to his absolute will in the wretched plight of too many agricultural labourers in our southern counties. The expense of forced labour consists not in any lack of physical strength in its victims, but in the reluctance with which it is given, and in its consequent want of versatility. A shrewd employer of free labour will then not merely do what little he can as a citizen to check intemperance, materialism, and improvidence among hand-working folks, but regard their whole physical, moral, and mental development as an affair of his pocket no less than of his heart. In

this striking harmony of interests between capitalists and labourers, we again see how constantly Moral Philosophy and Political Economy bid us tread the same path. Complaints are sometimes made of the base ingratitude shown by men who have been exceptionally well treated by their employers ; much of this is due to the latter having indulged in liberal conduct without giving themselves the trouble to carefully explain, or have explained, the groundwork of their mutual relations.

The Government, in its treatment of an unmarried private in the army, gives us a rough idea of the lowest maintenance on which a labourer can really subsist with any benefit to his employer ; but from this minimum, wages can rise to almost any point. Competing employers will often raise them to what stupid people call a preposterously high rate : suppose fifteen capitalists, each most urgently require a workman belonging to a special type of which there are but fourteen, these men will then obtain in an open market any wages fourteen of the manufacturers will give before the fifteenth finally resolves on closing his works. His business was of course that which yielded least profits, and the labour of the fourteen workmen will thus, at a perfectly fair remuneration, be employed in the way most serviceable to Society. Besides this, each workman cannot, owing to the very nature of things, be it luck or be it merit, have exactly the same strength and ability as the rest, and as the results of his labour surpass those of the worst of the bunch, he will receive an almost geometrically progressive premium in the shape of higher wages. This last phenomenon is one which Trade Unionists persistently overlook and purposely ignore ; in consequence of it, as long as they do not tamper with the labour market, even if it be overstocked with suppliants craving on their knees for employment, there is always a brisk competition among employers to secure the best workmen. This competition for the ablest, descending the ladder of efficiency to the veriest hodman at its foot, cannot fail to exert a most powerful influence in raising the wages of each and every workman, while if the natural and acquired talents of all labourers had been on one dead level, it would never have been called into action.

Cheap labour is not procured by giving low wages, but by getting

work done for as little outlay as possible. The cost of labour, an important though by no means the only element in the cost of production, and not the price of a day's work, affords the one basis on which a fair comparison can be drawn between wages paid in different districts and different establishments. This to a great extent palliates the otherwise inexplicable conduct of south-country farmers to their men, for the competition of efficient labour in the North will not permit them to dole out more than a wretched pittance to the inefficient labour they employ. The cost of labour, for example, is probably heavier in Norfolk with wages at about thirteen, than it is in Northumberland with wages at twenty-three shillings a week. A pitiful race of beings exhausted and demoralised by three centuries of alternate tyranny and charity, both equally conducive to the ruin of heart, mind, and body, are incapable of rendering services of greater value than the very wages they receive; their condition, however, can only be improved by the gradual working of natural causes, and not by the perpetration of unjust acts in the present as a remedy for unjust acts in the past. A radical misconception of what is meant by the cost of labour has more or less infected all Trade Unions, whether of capitalists or of labourers with a craze for establishing throughout the Kingdom one uniform scale of remuneration for good, bad, and indifferent workmen.

There are two ways in which wages can be raised, namely, by a decrease of available labour, or by an increase of available employment. Two opposite schools of economic thought have naturally each laid peculiar stress on one of these methods. The first would have us believe that the only safety for a labouring population lies in the diminution of its members either by fewer births, or more national deaths in the form of emigration; no trade in its opinion can keep up wages, except by restricting its apprentice roll, and banishing all unlicensed practitioners from the fenced city it creates in the midst of general pauperism. A rosy picture is drawn by the second school of the effects produced by an increase of capital in the condition of labourers. As capital increases, interest no doubt tends to fall towards a vanishing point where a capitalist would nearly gain more by wasting than by saving his substance; his share in the produce of industry would thus

become very minute in comparison with that of a labourer, but sufficient to procure him more gratifications than if he had only preserved a lesser sum. The share of a labourer on the contrary will then be much greater than that of a capitalist, and capable of yielding far more gratifications than at present, in consequence of a general increase of wealth, immensely promoted by the wider scope given to the division of employments by a steady growth of population. The doctrines of both schools can be welded into one if we say that wages can only be really raised by the development of individual forethought and individual thrift. A healthy feeling of family pride is required to check improvident marriages among English labourers, and they would show far more sense if they complained of the scarcity instead of the tyranny of Capital.

The question of the hours of labour and that of piece-work are both of them too often used as stalking-horses from behind which a campaign against Capital may be craftily conducted, while its primary cause is an ignorant dread of pulling down wages by getting through too much work. Neither can be fairly dealt with, if we lose sight of those infinite variations in strength, taste, and culture, which are perhaps more strongly marked in our handworking than in our headworking population. Nothing can be more purely a matter for individual choice than whether a man prefer to receive an increase of wages in the shape of more leisure or of more money. It is very doubtful policy to fix the duration of a working day at some uniform number of seconds, and to expect boys before their sap has risen, men in the hey-day of strength, and men in declining years, to work for exactly the same time. At hard work, like the coal hewing, although it may be fully granted and even strongly urged that less than the present hours are quite enough for a miner to be in active service, it is yet perfectly consistent to say, that a man would show much more regard for himself in being nominally longer at work, while in reality he was spreading the same amount of exertion over a greater space of time. In large factories most workmen must necessarily labour for the same period, but its duration can only be settled by a bargain of precisely similar nature to that which determines their rate of money wages.

In all cases, however, where labourers are employed singly or at piece-work, no standard of hours, should be recognized, and full heed given to their several capacities. The analogy between mental and corporal labour, which it is always advisable to keep in view, is curiously illustrated by the Emperor Charles V. having divided the days of his retirement in the convent of San Juste into exactly the same proportions as the most advanced school of working-men clamour for at present. The usual hours devoted to study by a very diligent student in our universities are eight likewise; nevertheless an agitation to legally reduce those of hand labour to that number, is no better than a proposal to get Parliament to fix in a single Act the rate of wages at eight shillings a day, the rate of interest at eight per cent., and the rent of all land at eighty shillings an acre. It must further be remembered that recent experience has woefully taught us that a decrease in the hours of manual labour, unaccompanied by an increase in mental and moral culture, is a fruitful source of degrading indolence, if not of positive crime.

Piece-work owes its origin to a wish on the part of employers to definitely ascertain the cost of labour, and to the indolence of day-labourers caused by their individual services not being sufficiently regarded in determining their wages. Any benefits obtained by its introduction in the way of quantity are generally speaking turned into injuries when the quality of the product is considered. British manufactures keep their ground on the Continent not owing to their cheapness but to their durability, and it is therefore particularly important that no injudicious haste should rob them of their most precious attribute. Building by contract is quite as much out of favour with those who look forward to their mansions going down to the third and fourth generation as it is with discontented masons. With mental labour the consequences of direct payment by results are also very disquieting; as Sir Edward Creasy, whose death we are just mourning, several times remarked, an infinitely greater proportion of celebrated men issued from King's College in Cambridge before the degrees and fellowships of its members were made dependent on University Examinations.

In many trades, which we fancy could scarcely be carried on

without piece-work, it often proves most unjust to skilful and industrious workmen ; a miner who can put out two tons and a-half of coal when the average of his marrows is only two tons, deserves an extra premium on the half ton which a mere score price fails to supply. But a more equitable scale of remuneration, which gradually rose with the quantity of work each labourer got through, would have a strong tendency to aggravate another of the evils with which piece-work is attended. 'Workmen,' says Adam Smith, 'when they are liberally paid by the piece, are very apt to overwork themselves and ruin their health and constitution in a few years.' Thus, before machinery made its appearance in our corn-fields, mowers by the acre very often killed themselves outright, and several cases of agricultural labourers being done to death by this excessive stimulus to exertion were brought under my notice in Russia last autumn. Norfolk farmers, in order to revenge themselves on their malcontent work-people, are now introducing piece-work into every detail of agriculture ; nothing, however, can be more depraving and demoralizing in its effects, than the payment of extraordinarily high wages for extraordinarily hard work during a certain short season, to men who for the rest of the year have both bad pay and little work. Mr. Brassey, though an especially warm advocate of piece-work, admits its dangers, and, in one of his recently published lectures, seems to attribute to it many of the premature deaths occurring among engineers. Fairly long hours and the payment of wages by time, are probably vastly more conducive to the real welfare and happiness of a labourer, than are short hours and piece-work.

Most of the advantages and none of the disadvantages of equitable piece-work can be secured by an indirect system of payment by results, such as is afforded by an intelligent adjustment of the wages paid for labour during some definite period of time. An increase of wages freely given to the best men is, as M. Mony, a veteran of the French coal and iron trades, has lately told us in his excellent '*Étude sur le Travail*,' the only rational way of evoking skill, talent, perseverance, and honesty from our work-people. There are unquestionably far too few gradations in the prices paid for labour by the day. An intelligent

employer will do everything in his power to increase these stepping stones to habits of industry, even if it be only by giving an extra penny or two to those who deserve it. By raising wages in this way of his own accord, he will greatly reduce the cost of labour at his establishment, and thus acquire such a pull over his rivals in trade, that one by one they must follow his example, for the laws of competition will not permit them to hang back.

The various conditions here briefly noted as obtaining between employers and employed find their fullest expression in Free Industry, that is to say a system in which every man openly professes his belief in the good effects of Universal Competition, and boldly expresses his intention to turn his own talents to the best account, feeling quite sure that personal interest, the mainspring of commercial progress, will lead all other men to act in like manner, and that each will be kept in his due place by this social solidarity. But is there in England any example of such a system clothed in flesh and blood? Is there not rather always more or less of a tacit understanding among those ranged on the opposite sides of the labour market to act in concert if not in combination? Fortunately for the cause of Social Liberty such an example does exist, and its results are most valuable and most encouraging. In Northumberland, from time immemorial, agricultural labourers have tested the labour market at yearly hirings. These are also attended by farmers, who freely talk and bargain with the assembled hinds for the exchange of their mutual services during the incoming year. They meet on equal ground; if a farmer should chance to come without being well known, or having some one to introduce him as a good employer, never a hind will so much as look at him. In consequence of this system agricultural wages rose proportionally higher in the Golden Years of 1872 and 1873 than did those of miners, mechanics, and artizans; while they have since remained essentially permanent, although the general labour market has been full to overflowing, and in branches of industry regulated by model Trade Unions, weekly earnings have dwindled to extraordinarily paltry sums. An attempt to 'organise' the hinds of Northumberland ludicrously collapsed; had it succeeded, a wholesale importation of Southern labourers would probably have



brought about a great reduction of wages, and a great increase in the cost of labour. As it is, farmers in the North are thoroughly versed in all the practical bearings of the noblest of professions, but betray no sign of that eager haste to transform themselves into tenant-squires, which characterises agricultural capitalists in certain other counties. Farm labourers in the North are as proudly independent as any wanderers in steppe or desert, and their morality, intelligence, and strength, place them abreast of the most favoured groups of society. It affords then little room for surprise, if we find in such a country and among such people the best solution of the labour problem.

Crossing the Channel, we learn that, although a few cities, devoted like Paris and Lyons to the fabrication of luxuries, are hotbeds of socialist dissatisfaction, the relations between employers and employed in the industrial provinces of France are eminently satisfactory. Nothing is there known of restriction, the pet fallacy of English workmen, or of any such thing as a general lock-out. A Parliamentary commission empowered to collect evidence on the subject has therefore been able to sum up its report in the words :—‘*En France le prix du salaire, une fois fixé, ne baisse jamais.* In France wages once fixed never slide back.’ The raising of their customary standard of living not by any transitory revolution, but by the increase of general prosperity is the best wish that can be expressed for the future of our hand-working population. Nothing can be crueller than a sudden rise in their every-day style of living, if it is again to be abruptly brought low. People who for only a few short months have tasted sweets of which they knew not previously and may never know again, are more sincerely to be pitied than their most stationary fellows; it says much for their patience, if their despair has not to be confined in an iron cage, like poor Abon Hassan of the Arabian Nights, when having been so strangely made Commander of the Faithful for one day only, he woke from his drugged sleep the next morning a private gentleman of Bagdad.

### III.—OLD METHODS OF REGULATING TRADE.

Most folks, especially in England, attach far greater weight to the teachings of experience than to those of abstract science. History

has been made very dry, and very false, by supposing that our forefathers were not influenced by the self-same springs of action that we are. It is also impossible to fully grasp the meaning of our own every-day life, without bearing in mind that most, if not all, of the social problems which perplex us are of very old standing. The past is gone and ended; it therefore offers us a more complete field of study, and one less disturbed by passions of the hour than the immediate present. No Englishman can turn over the annals of his mother-land without a mingled feeling of pride and gratitude; yet in their pages many wholesome warnings jut out in order to prevent our straying down mazy bye-paths, which would finally mislead us in a backward direction.

A progressive civilisation, as it has already been observed, is everywhere marked by the freer play given to individual liberty. Among the most ancient nations whose records have reached us, the whole life of man in its minutest details was made the subject of elaborate laws. The Old Testament furnishes us with a venerable example of this in the Mosaic code; while the same spirit stamped the whole polity of early Greece, and took its most thorough-going shape in the black-broth discipline of Sparta. The Emperor Heliogabulus who, notwithstanding his ostrich-brain banquets and hideous revelries, deserves some credit for an original and clever advocacy of Woman's Rights, established a feminine Senate in Rome for the purpose of irrevocably ordaining the modes and fashions of his empire. In the middle ages similar sumptuary laws were all the rage in England; under Henry IV. no shoes over six inches broad at the toes were to be worn, and under Edward IV. nobody of less than baronial rank was to appear in any mantle or gown, which, on his standing upright, did not nearly come down to his knees. Even now it is extremely doubtful whether a still older statute forbidding more than two courses at dinner or supper, save on certain high days and holidays, has ever been repealed. Sumptuary laws are never really executed or enforced, and are therefore the very worst of laws.

Rulers possessed with impregnable self-confidence in their power of legally controlling every affection, desire, appetite, whim, fad, or fancy of their subjects, naturally busied themselves with regulating the

price of everything, and especially that of labour, which forms the chief object of exchange with the bulk of any population. In England the State from early times fixed rates of wages in two distinct ways; directly by its own authority, and indirectly by delegating that power to certain trade associations which grew up within it. Leaving this latter method for after-consideration, we shall see that the former gradually descended from a regulation of national wages in Parliament to arbitrations conducted by the Quarter-Sessions in each county, and finally disappeared in the form of a sliding-scale.

The early history of England is so much more a Book of Kings than a National Chronicle that we find few traces of social and economic questions, which admit of ready translation into language of the present day, before arriving at the fourteenth century. In that period of general disintegration, so strikingly like our own age in many of its aspects, luxury and misery throve side by side; proposals for holding annual parliaments and disestablishing the church were seriously gone into, while discontented mobs summed up all previous and subsequent socialism in the one couplet: 'When Adam delved and Eve span, who was then the gentleman?' No century ever opened more hopefully, none ever closed in deeper gloom. The emancipation of the peasantry and the general improvement in their condition, which at its commencement were naturally tending to replace feudal estates by small holdings, received a sudden check in the fearful pestilence known as the Black Death, which ravaged Europe in 1348. Three years saw half the population of England perish, labour became almost unprocurable, and, if we follow the statistics furnished by a proportional scarcity in the case of wheat, money wages might have been multiplied by nine. Employers, to whom none of 'the hard-hearted doctrines of political economy about supply and demand' were familiar, regarded such a state of things as outrageous and absurd. Their wild competition, they fancied, was sure to reduce them all to beggary, and the opinion that no individual capitalist had any right in rhyme or reason to injure his neighbour by paying more than 'a reasonable rate of wages' met with general acceptance. Confederations were formed to carry out this view, and as these were thwarted by similar confederations among

labourers, the country was brought to the verge of ruin by the resulting hubbub and contention. Luxuriant corn crops lay rotting on the ground, while flocks and herds fell victims to a grievous murrain, because of the impossibility of settling the wages of reapers and herdsmen. The fiercest struggle on record between employers and employed threatened to bring on such frightful results that the Parliament of 1350 at last thought fit to interfere. An Act called 'the Statute of Labourers' was passed fixing wages by day and by piece at what they were six years before the outbreak of the Black Death; but, in order not to deal unfairly with workmen, victuals and raiment of all sorts were to be sold at corresponding reductions from the market price. Thus a labourer was to be content with lower wages than many employers were willing to give, while manufacturers and tradespeople in their turn were to supply all his wants without any regard to the cost of producing their goods, or the demand that existed for them. It is a most foolish error to suppose that this and similar laws were passed out of any solicitude for the interests of capital; fourteenth century legislators were innocent of any such abstract term, and merely strove to keep things straight and quiet by modelling society, as the Black Death left it, after the precise pattern it had borne previous to that pestilence; the very lords who acquiesced in these reactionary measures forbore taking rents from their impoverished tenants, and treated their villeins with exemplary leniency.

In order to give the Statute of Labourers any chance of success it was necessary not only to forbid workmen asking for higher than legal wages, but also to inflict pains and penalties on any masters who should offer them. As the main object of this law was to make short work with vagrants and vagabonds, who took advantage of the neediness of their neighbours to demand exorbitant wages, every able-bodied person under the age of sixty, who had no means of maintaining himself, was bound to serve the first man who offered to employ him at the legal rate of wages. Labour was in this way to be prevented from circulating through the country; and in 1378 we find it decreed that no servant should leave his home on pretence of a pilgrimage without having provided himself with the requisite permission in the shape of

letters patent. By the force of law alone without any levelling migrations one identical rate of wages was to be established in every county of the kingdom. Lovers of law, it is easily seen, were the only persons who suffered from such impracticable enactments; the underhand means of escaping from all such artificial restrictions are too many and too obvious to need illustration.

Resentment at this paternal legislation combined with other political and social grievances drove the peasantry of the Southern and Eastern counties into open rebellion. The sack of London by the mob in 1382, during which atrocities akin to those of the Parisian Commune were perpetrated, was due in no small degree to the legal tampering with freedom of industry by means of the Statute of Labourers. But so absolutely necessary for the welfare of the nation did the fixing of a maximum of wages seem, that scarcely a Parliament met without elaborating some fresh law on the subject; the increasing rigour of each shows how impossible it had been found to effectually apply previous ones. In 1436 wages were again settled in Parliament, and a half-year's notice was ordered to be given by a workman before quitting the service of his employer; but the whole system ultimately attained the beauty of completion, when the 6th of Henry VIII. definitely determined not only what wages labourers were to receive, but also how long they were to work, sleep, and eat, and what was to be the exact quantity and quality of their food. It was, however, reserved for the short reign of Edward VI. to put the final touch of brutalized severity to to these arbitrary measures; workmen who combined to raise their wages were to be rendered 'perpetually infamous' by having their ears cut off, while a man living three days in idleness was, after having been branded on the breast with V for vagabond, to be given as a slave for two years to the informer, who was admonished to keep him at the vilest jobs going, with a free use of cudgels and chains; did the victim run away for a whole fortnight, a hot iron was to print S for slave on his cheek, and the law of reformationised England doomed him to lifelong servitude; a second offence made him a felon, and the act openly hints that 'if he should be punished with death, it were not without his deserts.'

The great statesmen who flourished under Queen Elizabeth did not fail to turn that scrupulous attention to the labour question, which everything of importance received at their hands. Their mode of dealing with it was eminently characteristic: wages must be regulated by law, but that this regulation should always be in favour of the employer, and should be enforced with inhuman barbarism, by no means followed; nor could the same rate be expected to prevail every year throughout all the counties. 'Owing to the imperfection and contrariety that is found and doth appear in sundry laws,' says the Act of 1562, 'they cannot conveniently, without the great grief and burden of the poor labourer and hired man, be put in good and due execution.' The object then of this new law, as there stated, is 'to banish idleness, advance husbandry, and yield unto the hired person, both in the time of scarcity and in the time of plenty, a convenient proportion of wages.' Justices of the Peace were every year at the general Easter Sessions 'to call unto them discreet and grave persons of the county, or city, or town corporate, and confer together respecting the plenty or scarcity of the time, and other necessary circumstances.' As the result of their deliberations they were 'to limit, rate, and appoint the wages of all artificers, handicraftsmen, husbandmen and labourers,' not only with or without meat by the day but for every term under a year, and also to determine what workmen might earn 'by the great for any kind of reasonable labour or service.' The rates thus fixed in each county or town were to be inscribed on a parchment scroll and lodged in the High Court of Chancery. The Lord Chancellor or the Lord Keeper were, after obtaining the royal assent, to have these lists printed, and despatch ten or twelve of them to the sheriffs and mayors before the ensuing first of September; on all market days before Michaelmas a public proclamation of them was to be solemnly made, and a conspicuous notice set up to the same effect. If the justices neglected to carry out the provisions of this act, they were each to be fined ten pounds; those who offered more than the authorised wages were to be imprisoned without bail for ten days and to forfeit five pounds, while those tempted into receiving them were to be condemned to three weeks of gaol discipline.

After many alterations and many interruptions, this custom continued to be observed down to the year 1725, when Lancashire justices, at the adjourned Manchester sessions held on May 24th, issued an order and declaration fixing the maximum of wages in that county. From mid March to mid September, the best husbandmen might not take more than 6d. a day with meat and drink, nor more than 1s. without them: for the rest of the year 5d. and 10d. respectively were deemed sufficient; masons, joiners, and slaters might not be given more than 1s. a day, unless they were very superior, when the addition of another twopence was permitted; colliers in 'a standing delfe' were to be paid 1s. 'a tunn,' in 'a sitting delfe' 1s. 2d. In looking through all the old lists of legally ratified wages that have come down to us, it is impossible not to be struck with the prominence given in them to piece-work, and to variations in the price of labour at different seasons of the year: mowing, reaping, shearing, threshing, winnowing, sawing, and paving were all paid for by the result to an extent we are strangers to at present, while by the Statute of Labourers the daily wages of reapers were to be twopence during the first week of August and threepence in the second. Agricultural labourers seem very generally to have been engaged for only a single day, and the value of the food given them when compared with their gross earnings was out of all proportion to the present ratio between wages and the cost of subsistence. It may be thought that since all these laws fixed a maximum of wages, they necessarily always did so below the market price of the day, a very inconsistent note appended to the Lancashire declaration of 1725 shows that this was not the case: 'the county being eighty miles in length,' add the justices, 'we think the more northern part thereof ought not to demand so much, but be content with what the custom of the country hath usually been.'

Towards the end of the last century the miserable condition of agricultural labourers in the South of England enlisted universal sympathy; various schemes for their benefit were propounded by kind-hearted gentlemen, among whom Arthur Young, 'the father of British Agriculture,' prominently figures. The one which found most favour was the adoption of a sliding-scale to make the price of labour

rise and fall with that of wheat. In 1795, for example, the quarter sessions held at Bury St. Edmund's before Arthur Young, eight clergymen, two baronets, and one squire, requested the members for Suffolk to bring a bill into Parliament 'to so regulate the price of labour that it might fluctuate with the average price of bread corn.' They had, however, been forestalled in this quixotic scheme by the magistrates of Berkshire, who meeting at Speedham in the previous year had actually settled 'the weekly income of the industrious poor' in a scale which gradually rose with the price of wheat and the size of a family from giving a single man 3s. a week when the gallon loaf cost 1s., to giving a man with a wife and seven children 25s. a week when the price of the loaf was doubled.

A more hideous mongrel between business and charity than this last system was never bred. Imagine the amazement of a Northumbrian farmer, when, on removing into Sussex about 1822, he found that his labourers there expected to be paid not according to the work they did, but according to the number of sickly babies they produced. This, however, only brings out in holdest relief the tragic absurdities to which the attempt to regulate wages gave rise. All through the statute-book Poor Laws necessarily accompany provisions for fixing a maximum price of labour. Deadening all motives for industry, and causing labour to stagnate in certain localities, the two are linked inseparably together. The Statute of Labourers, and not the dissolution of the monasteries, laid the seeds of that pauperism which even now bears such poisonous fruits. 'Sturdy vagabonds' and 'valiant beggars' found that they could gain more gratifications by means of plausible tales and professional whines than by diligently working for legal wages at some honest trade or handicraft. The State endeavoured to stamp out this growing pauperism by laws so severe and sanguinary as effectually to defeat the purpose in view. In 1531, however, an act was passed empowering justices to grant begging licences to the poor, instead of visiting, as had till then been the case, every solicitation of alms with three days and three nights on bread and water in the stocks, as the least punishment for so heinous a crime. The 27th of Henry VIII., in order to do away with even this form of open begging,



directed that all paupers should be sent not to places where their services were most needed, but to those where they were born or had resided, for the three previous years, and that the able-bodied should there be given work, and the infirm or aged treated with kindness and liberality. At the same time private charity was to be organised : no person should make any 'open dole,' or give any money in alms except by means of 'the common boxes or common gatherings in every parish,' unless he chose to forfeit ten times as much as the beggar received. Religious dissensions stopped this praiseworthy scheme from being put into execution. Poor Laws and indiscriminate charity became a standing order of the land. The great statute of Elizabeth in 1601 expanded previous arrangements by giving every one a legal claim to relief, and appointing parish Overseers to levy rates for that object; a labour test was, however, to be most stringently applied. Rather over a hundred years ago a contrary movement set in; the poor were to be treated with greater leniency, and Guardians were created in order to maintain their interests against those of the Overseers. The test for distinguishing voluntary from involuntary paupers was made light of; the Guardians freely dispensed outdoor relief, and found work for the poor on their own farms, making up out of the rates any deficiency of wages. The larger a man's family, the more wages he got; and Laws of Settlement had quite done away with his power of migrating to any place where work was more plentiful, since its inhabitants dreaded becoming chargeable for his maintenance. It is now not difficult to foresee the results of these well-meant measures. A teeming population of unhealthy children was reared and kept in districts where no work was to be procured; in some Bedfordshire parishes the land was actually abandoned by its owners, as the poor rates exceeded the rent; noblemen, canonized by the ignorant for their improvements in agriculture, demolished whole villages, and drove the peasantry into the foulest dens of neighbouring towns, in order to free themselves from the burden of supporting them; all springs of exertion, all feelings of independence were destroyed; and the cost of the pauper labour forced on employers nearly doubled that yielded by any free workmen who remained. It

must be evident that the pauperism and vice left after such a system of social insanity cannot be uprooted in a single day. The New Poor Law of 1834 may be very far off perfection, may be much worse than private charity properly organised on some rational plan, and may dangerously compete with the independent efforts of provident societies, but is beyond all question immeasurably superior to the accursed form of granting relief which it superseded.

The general scheme for regulating wages, and its disastrous consequences in stimulating pauperism, form an almost forgotten chapter in the Social History of England; a far more copious literature has been evolved from the labours of economic antiquaries on the Guilds of the Middle Ages. The fourteenth century and the Black Death mark a turning point in town no less than in country life. During the previous three hundred years associations of free craftsmen, working on their own score with their own independent stock of capital, had imperceptibly sprung into being. Originally formed to shield their members from the exactions of tyrannous lords, and equally tyrannous corporations, they soon attempted the regulation as well as the protection of their trade. The State, like the Church, in the Middle Ages endeavoured to absorb into its body, by means of a frank delegation of legislative authority, societies which seemed likely to threaten its unity; and thus the charters, bestowed on guilds by kings and parliaments, provided that everyone who practised any trade in a town, where it was represented by a guild, should follow the bye-laws of that association. The objects professed by these early guilds were to secure good quality in work, and to act as a benefit club, not merely in respect to the temporal, but also to the spiritual welfare of their members. None were allowed to start business unless they had served a regular apprenticeship, which for every trade, whether the most simple or the most difficult, whether ordinary bricklaying or teaching in the Universities, generally lasted seven years; no tools or machines were to be tolerated till they had been 'testified to be good and honest,' and no work was to be done by candlelight. So far the Guilds were not close corporations denying admittance to any applicants, nor did any questions as to wages crop up, for with some

exceptions proving the rule by their extreme rarity, they were societies of handworking capitalists. Their triumph was complete when they had risen so much in importance and esteem that King Edward III. was honoured in being admitted to the Company of Linen Armorers. It was, however, almost from that very hour that their corrupt decadence began.

Since the fall of the Roman Empire the towns of Western Europe had afforded to runaway serfs a refuge within their walls from feudal oppression ; when, therefore, the Statute of Labourers, in spite of its equivocal provisions, drove our peasantry mad, they naturally flocked towards the towns ; but this time, to use figurative language, the town gates were slammed in their agonized faces, the drawbridges torn up, and the portcullises rammed down to bar their entrance. The craftsmen had grown rich, and had discovered ways of employing more capital in business ; they now wished to still further increase their wages and profits by limiting the number of apprentices, and restricting the amount of work performed by each member of their guild. Entrance fees were raised ; the possession of a house and a considerable capital, which was not on any account to be borrowed, became indispensable conditions of admission to a guild, and every apprentice was obliged to prove his spotless honour, and his free, or sometimes even noble, birth. An act of parliament was passed in 1378 to restrain those who had served in any agricultural occupation until they were twelve years old from being 'put out to any trade or mystery.' The artificial obstacles to Free Industry created in this way were so insurmountable that, to all intents and purposes, no one except the son of a guild-brother could carry on a trade in any town ; an hereditary caste of artisans was formed, and manufactures of all kinds became monopolies. In 1437 these regulations were already felt to be so unbearable that a petition of the Commons represented to King Henry VI. that the guilds had abused their privileges 'by enacting ordinances hurtful to the common profit of the people' ; all bye-laws therefore which they passed were ordered to be submitted to the justices of the peace, and, if not found reasonable, revoked. But this did little good.

Two trades, those of cloth making and building, which were en-

joying exceptionable prosperity in the fourteenth century, found it advantageous to admit refugee peasants into their ranks, not indeed as apprentices but as journeymen, who were to become tolerated workmen instead of independent mastermen. This gave rise to frequent disputes between employers and employed. Immediately after the Black Death in 1350 every guild laid down the rule that nobody 'shall take for working in the said trade more than they were wont heretofore.' About the same time the master-shearman of the London cloth-makers complains that 'now the men will not work otherwise than by the piece, and then so hurry over their work that they do great damage to the cloth;' this was ordered to be stopped as contrary to ancient usage. All disputes between master and man were to be settled by the warden of the trade; the tendency of such arbitrations may easily be discerned when we find that if a workman did not submit to the decision of the warden he was to be punished at the discretion of the mayor and aldermen, while not a single word is said as to the penalties with which an employer's disobedience was to be visited. Strikes constantly occurred in the building trade, and the two mediæval laws against combinations of workmen, passed in 1361 and 1425, relate almost exclusively to that branch of industry. In the accounts of the master-builder employed in the erection of Eton College in 1441 there are curious notices of the fines imposed on refractory masons: one got into trouble because 'he would keep his oures and ne go to work till the clock smyte,' another because 'he wol not do nor labor but as he list hyselfe.'

It deserves to be carefully noticed that the attempt made by Parliament to establish a legal minimum for intellectual labour met with no success. 'The yearly wages of chaplains and parish priests' had been settled in this spirit by a statute passed in 1414, and the 12th of Queen Anne ordained that every curate should receive an annual allowance of not less than twenty pounds: but, as Adam Smith remarks in calling attention to the much lower salaries accepted by curates in his day, 'the law has never been able to raise the wages of curates or to sink those of labourers to the degree that was intended; because it has never been able to hinder either the one from being willing to

accept of less than the legal allowance on account of the indigence of their situation and the multitude of their competitors; or the other from receiving more, on account of the contrary competition of those who expected to derive either pleasure or profit from employing them.'

Time need not be wasted in sketching the effects produced on the country at large by the system of Swaddled Industry which the policy of the middle ages developed. Some look longingly back on that system imagining that those were halcyon days for capitalists, others will tell you that under the shelter of the Guilds or legalized Trade Unions it sped better with labourers than is now the case. Neither view is correct. In agriculture labour could not be intelligently applied or productively directed when all competition was silenced, though not annihilated, by an arbitrary regulation of wages; employers dared not secure the services of the best workmen by openly giving them wages which they were themselves willing to pay: fields capable of producing fifteen fold must lie in fallow because their farmer had no honest means of inducing a labourer to quit the service of a farmer, whose land yielded but seven fold. Workmen were not inclined to be skilful or efficient since whatever was the result of their toil, they could, except at merciless task-work, get no higher wages than 'louts, lubbers, and lazy loons;' wages were therefore low, but the cost of labour enormous. The circulation of labour moreover from places where there was no use for it to places where it was urgently needed was checked by direct legislation, by the monopolist policy of all guilds whether of masters or of journeymen, and finally by an iniquitous Poor Law. Townsmen could not chop and change from trade to trade; if an artizan chanced to be born in a particular trade, it was made his strongest interest to pay no regard to talents leading him in another direction, but to resignedly follow it for the rest of his days. Indiscriminate public charity urged every man to marry as young, and rear as large a family as possible, without giving the slightest forethought to their future destiny. Every motive for saving was destroyed, every sense of stalwart self-support crushed out, among the farm-labourers of Southern England. The way in which the North to so marvellous an

as, curses

might form the groundwork of a valuable historical essay; the ravages of the Danes, the work of defensive devastation ordered by the Conqueror, and each successive Scotch invasion, kept the country between Tweed and Humber in a state of backwardness and turmoil that rendered parliamentary statutes wholly inapplicable; the expedition of Hotspur, the Pilgrimage of Grace, the rising of 1569, and even the rebellion under the Earl of Derwentwater, were powerfully excited by various social causes, and though one and all unsuccessful, they nevertheless exercised a very considerable influence on the social future of the Northern Counties. The very people who were to have been benefitted by the restrictive regulations which elsewhere the law was able to impose became in reality their victims: the farmer might keep his labourers just above starvation point, the townsman might obtain an artificial price for his wares, but when they came to spend their ill-gotten earnings the real gratifications they could procure were incredibly small, for owing to the way in which manufactures were retarded and the increase of general wealth impeded, the share of utilities which fell to the richest then was comparatively meagre to that which falls to the poorest now. A similar fate overtook landowners who thought to magnify their rent-rolls in consequence of the low wages paid by their tenantry; while a special form of vengeance for national sins against economic and moral laws somewhat unjustly descended on their heads in the shape of the ultimate incidence of public charity.

Slowly but surely the whole mediæval system of industry came to an end: people saw its absurdities, though they could not perhaps explain them. At last when Adam Smith, about a century ago, gave us his 'Wealth of Nations,' that able theoretical exposition of the errors and follies of trade regulations and trade restrictions so fell in with the turn given to popular sentiment by the expansion of commerce and the invention of machinery, as to put the finishing stroke to economic ideas which it had been the work of centuries to elaborate and pamper. The sovereign people swept away all the close corporations of France in one August night of 1789; if with us the Statute of Apprentices and the laws against combinations of workmen were not actually repealed, nor legalized Trade Unions actually abolished, till a later date, they

had in reality previously given themselves what Japanese would call 'the happy despatch.' The old system of industry, like the uncoffined body of some famous king put by with all the splendours of his office in some forgotten crypt, fell straightway to dust when once the light of younger days streamed in, leaving the mere baubles of power behind it to grace the banquets and pageants of city companies.

It is to the early emancipation of British industry from the trammels and shackles of the past, brought about though it was with too little regard to the vested interests of the poorer monopolists, that we owe most of our commercial supremacy and much of our national stability. On the other hand we need not be surprised that Germany tries to hinder the importation of English coal and English iron, when we learn that the guild-system is still in favour there, and privileged pastry-cooks draw up petitions against privileged bakers being allowed to fashion tarts and pies, while privileged wood-turners demand that privileged chair-makers should be forbidden the manufacture of buttons, knobs, and rosaries; the alarming proportions moreover which Socialism has assumed in that empire are in strict harmony with that singular national incapacity for economic study which causes Protection to be thus cherished both on a grand and on a petty scale. When too, in a provincial city of Austria, my eye catches sight of an official announcement to innkeepers that they are not to charge more for the accommodation of strangers on account of some local exhibition or agricultural show that is going on, it is natural to reflect whether some of the financial embarrassments of the Monarchy be not attributable to the prevalence of industrial notions such as prompted here the royal decree of 1362 'that the price of roofing materials and the wages of tilers shall not be enhanced by reason of the damage caused by the late storm.' Stray relics of antiquated practices, however, linger with us at the present day; manufacturers in some trades even now meet together in order to fix on common prices for their products, but in most they have at last opened their eyes to the hollow sham typified by trade dinners at which every one made all sorts of speeches on the blessings of fraternal organisation and mutual interests, knowing well all the time that in course of the day he had exhausted every art, artifice, dodge, and device in secretly

underselling his next chair neighbours. A system of liberal discounts to customers, or a generous disregard of imperial weights and measures, attracts trade to certain houses, while the nominal price of the commodity remains as rigidly the same as that of gas-pipes or of saddlers' ironmongery. Stories of how unwary capitalists have sometimes got inextricably confused between the prices they have been really selling their products at, and those their respective Trades are engaged in nominally settling, admirably illustrate the moral effects of any artificial regulations of industry or commerce. So contagious are the habits of deliberate falsification to which these have given rise, that the shrewdest policy in trade probably consists in following Sir Henry Wootton's advice to an incipient diplomatist: 'Always speak the truth, for 'twill put your adversaries (who will still hunt counter) to a losse in all their disquisitions and undertakings.'

#### IV.—UNIONS OF EMPLOYERS AND EMPLOYED.

A certain recoil inevitably follows every displacement of ancient relations; after a revolution a strong tendency towards a restoration sets in, and such a restoration is often a grossly exaggerated copy of a condition of things which many hoped had been upset for ever. This seems now to be the case, in no inconsiderable degree, with the abolition of those privileges and monopolies which the law used to provide for the protection of Capital. No sooner had an era of Social Liberty been inaugurated in the first half of this century, than certain portions of our population began to prove their utter inability to understand the principle involved in that greatest of social revolutions. Curiously enough the 'let-alone' principle, which forms the basis both of free foreign trade and free home industry, requires to be more vividly illustrated and more carefully expounded bit by bit, than do various protectionist theories whose only common trait is their final convergence in the two adjacent extremes of Socialism and Slavery. Most men obstinately look at all economic, and many political, questions through a kind of telescope: everything in the past or in foreign countries comes out through it as clear as daylight, and as plain as a pikestaff, but its long-sighted lenses envelope whatever directly effects the gazer



himself in the indistinctness of chaotic fog. Much study is indeed required to rightly observe that which is passing too near us ; and thus instead of being a mere passive formulary 'Laissez-faire, let-be' becomes the most busy and watchful of living doctrines. For what is it to which free play is to be allowed? What are you going to let alone and let be? Not the blind ignorance or wilful prejudices of mortal men, but those eternal laws of Society which they despise and oppose to the ruin of their own individual interests. On its practical side political economy proves that individual interests are harmonious ; it cannot however prove that class interests are anything but discordant and antagonistic, and therefore declares that they rest on a tissue of fallacies, and in reality are no interests at all.

With gradual stealth Labour has embraced doctrines which had been consigned to the happy land of discarded absurdities, and has endeavoured to raise for itself artificial vantage grounds, till at last Modern Trade Unions have inherited both the virtues and the vices of Mediæval Guilds ; while there are yet to be found certain capitalists who believe that rivers would run from sea to source, did they pay more than 'a customary rate of wages.' In order to give due prominence to the fact that employers of labour form protective combinations, the nature of these shall briefly be considered before touching on unions of workmen. But the account of how it was formerly attempted to establish a maximum of wages by force of parliamentary statutes offers in its results so complete a picture of the evils capitalists incur from the formation of offensive leagues, that little can be added on the subject. An organisation of employers to keep down wages in any trade where the workmen are uncombined must meet with universal condemnation, and such 'a fraternity of evil' ought to have a poor chance of existence under our modern system of industry. Nevertheless, the farmers of Northumberland are being shamelessly advised at this very minute to arrive at a common understanding on the subject of hinds' wages, and it is feared that some may be foolish enough to bind themselves by a covenant which would undeniably increase pauperism and the cost of labour, at the same time delivering their men into the clutches of agricultural demagogues from the South. A shrewd farmer does not

wish to pay the same identical wages as his neighbours, but to steal a march on them by getting his work performed at a lower cost. There is little to be gained from a general, but much from a special, reduction in the cost of labour.

The most powerful Confederations of Employers rest indeed on more plausible grounds; they are intended not to assume the offensive, but to provide a means of mutual defence. Originally called into being by a confederation of workmen attacking their establishments in detail, their main object has been to support each other against local strikes; for, be it remembered, in a general strike or a general lock-out every member of the two conflicting parties is in reality thrown on his own individual resources, and an association can only be of service in special cases. There is, however, no genuine harmony of interests among confederated capitalists; attention was just now called to the impossibility of manufacturers maintaining in these days artificially high prices to the injury of the community, they may then in the first place not unnaturally ask themselves:—"Why should we club together in order to prevent our workmen getting a few pence more from us, when we have proof positive that our best and nearest interests will not permit us to protect ourselves by like means in matters of shillings from our customers?" And their subsequent policy strikingly confirms the similarity of these two cases. Each manufacturer is not sorry at heart if a fresh increase of wages prove a stumbling-block to his competitors in the race for trade: coalowners in the North of England are glad to hear of an advance of wages being given to Welsh miners, coalowners in Wales are grieved to hear that miners in the North have consented to a reduction. Mere local questions, too, seem of little importance compared with the desirability of steering the whole confederation clear of a general dispute with its workmen—is the entire iron trade of a district to come to a standstill merely because the fillers-in at some out of the way place demand a trifling advance? Briefly then, a confederation of employers, instead of defending its members against local aggression, is very apt to toss each of them in turn as a sop to its rival, and to grant indiscriminate local advances even to a greater extent than the men themselves really desired, thus aggravating the very danger it was in-

tended to remove. It moreover has a tendency to keep up the rate of wages in a falling market, as by arbitrarily fixing their amount it lessens the competition of labourers. On the other hand it fosters an unnatural competition in the produce market which would not otherwise exist. If by means of it the cost of labour in any trade is kept exceptionally low, and the rate of profit correspondingly high, fresh capital will be invested in it and things gradually return to their normal level. The best manufactories then, by entering such a confederation, merely assist in keeping the worst ones at work, and the undue competition which results is a primary cause of bad trade. The worst manufactories, in their turn, not unfrequently suffer from an imposition of trade regulations which are only suitable to the best and most influential establishments.

The crowning evil of a confederation of employers is the example and encouragement it holds out to similar organisations of workmen; but contrary to many of these it is always voluntary and non-coercive : wage-givers in our days live so far apart, and occupy such different positions in the world, that not even the slightest social pressure can be used to induce any one of them to combine with the rest, though on doing so all independence of action is naturally and justly lost. A manufacturer has infinitely more interests in common with his own work-people, than with other manufacturers ; could his workmen take advantage of his solitary position to victimise him, like a Lithuanian landowner, whose wolves were just gnawing through his tree of refuge, he might at least console himself with the reflection that his carcase would fatten his own pack ; but in reality, workmen can only do this by using violence and foul-play to deter others from filling their places, and the law is as ready to assist one private individual as a confederation of ten thousand capitalists.

Turning to unions of workmen, it may once more be noticed that the principal aim of each side in the labour market should be to sharpen competition on the other ; the best workmen and all others proportionally with them suffer from an annihilation of competition among employers. A Trade Union often most thoroughly deadens such competition ; it is like a hawk-shaped kite with which cute sportsmen keep

partridges together : each employer gets alarmed, and strikes up to the tune 'the Commune is coming': so that fear leads all employers to determine on only giving a certain uniform rate of wages, and thus to take a course which their discordant interests, as we have seen, would not otherwise allow. In a rising market therefore, a Trade Union generally keeps the price of labour below that natural rate to which the competition of employers would have brought it ; while all the credit for any improvement in the condition of its members is claimed by the union-leaders who, if the truth were known, had less to do with it than has an African rain-maker with the refreshing shower that follows his incantations.

A typical Trade Union of the nineteenth century, in its fullest and most perfect form, serves three distinct purposes. It is a Wages Committee, a Friendly Society, and a Political Association, all in one. Nobody objects to either of these functions in themselves, but grave misgivings may be entertained as to the prudence of their conglomeration.

It is only natural that men employed in a particular trade should now and then meet together to discuss their future prospects and take mutual counsel on their future plans. By doing so they can acquire useful information as to the general state of the labour market throughout the kingdom which would be beyond their individual reach ; and if, in their turn, they should choose to draw up an account of their several earnings and the real gratifications procurable with them in their district, a great benefit would be conferred on our handworking population, and the increase of national wealth be powerfully stimulated. Valuable supplements might thus be added to M. Le Play's 'Workmen of Europe,' and if such monographs were lit up with gleams of local colouring, they would found a social literature worthy of the Age, for the reading public would be as much amused with a simple and homely 'Day of my life,' written by a sharp pit-lad, as with that composed by an Eton boy. To obtain the very highest wages he can is indeed a duty every workman owes to Society ; but in accomplishing that duty he may be allowed the use of private judgment, and may rely on his own savings during his search for employment. It may also not unfrequently happen that an employer may wish to consult his workmen as a body on questions connected with their common industry, and it

is well that they should have duly appointed representatives who can go into matters of detail in a way that a large gathering cannot ; the difficulties attending any such joint action in consequence of the suspicious and jealous attitude assumed by Labour is not the least evil of Trade Unionism. On these grounds then, a voluntary association of independent workmen, believing in the doctrines of Free Industry, is a thing earnestly and intensely to be desired, since by its agency sounder views of economic difficulties can best be secured, and Society thus be rendered more harmonious and cohesive.

The manifold excellencies, too, of a Friendly Society, which supports its members in days of enforced idleness, speak for themselves. But it is to be remarked that such a society, in order not to end in bankruptcy, must be founded on a careful calculation of risks and chances, which the statistics of experience have enabled to be embodied in certain well-known tables. The average duration of a working life, and the average number of days in which sickness will interrupt its career, are figures nearly absolutely certain ; while the recurrence of commercial crises, although their exact causes are not yet unravelled, can be approximately predicted. The sum, therefore, which a man must pay to a Friendly Society, in order to be insured against the effects of these eventualities, can be determined with almost rigid precision. In this branch of their business the ordinary error of Trade Unions is that they promise to do too much with the small subscriptions they receive ; considered as insurance offices they are nearly all bankrupt, as their funds in hand can never meet their engagements. A system of too bounteous charity, wilfully carried on with the investments of members who must ultimately be disappointed of obtaining for themselves the timely succour for which they bargained in subscribing, can scarcely be regarded as more moral than a bubble company. The way moreover in which some Trade Unions grant indiscriminate relief, according to the number of children a man has, in order to save him from a labour-test, is a close though unconscious imitation of the Old Poor Law, and its consequences must in the long run be equally deplorable.

Nor again, is there any special harm in working-men forming various Conservative and Liberal Associations in order to give tongue to their political feelings ; it may be reasonably doubted whether all such

combinations are not a mistake, and whether a disregard of private convictions, through solicitude for the welfare of some particular party, does not sometimes border on immorality, but, if this be true, the blame must be spread over a very large part of the nation. Indeed, if the so-called Representation of Labour could possibly be realised, it might prove an absolute advantage to the State in propelling, however theatrically, a strong flow of patriotism through the depth of the people. Could a Somersetshire Hodge in smock-frock, or a north-country Geordie in 'pit-cla'es,' go down to the House of Commons as the representative, not the delegate, of his countymen, and there express his very own real personal opinions in straightforward and unvarnished language, he would command universal attention and heart-felt interest. But, unluckily, before a handworking man can enter Parliament he must inevitably cease to be a handworking man and tend to become more or less of a political proletaire, bravely struggling it may be against the fatal drawbacks of an imperfect training, but utterly losing for ever that indescribable freshness of thought which forms the chief grace of a simple English mind, and which he was specially called on to exhibit. In Austria the number of peasant-members returned to the Provincial Diets grows smaller and smaller every year, since they find it difficult to follow the thread of debates, especially those on the higher education, and therefore, though possessed of overwhelming influence among the electors, they wisely give place to those who have given their time to such studies. If there is a field to be ploughed, we send not for our county member but for a trained husbandman, so when we want, even in the most extreme mar-landowner interest, a representative at Westminster, it seems logical to look out for a man blessed with some political education in preference to the most intelligent of ploughmen.

These three innocent functions of a Trade Union—the observation of the labour market, the insurance of workmen against risks, and the expression of political opinion—when once they are knowingly confounded and thoroughly amalgamated, produce very strange phenomena. The funds of the Friendly Society are handed over to the Wages Committee and Political Association, in order to maintain men on strike and serve the parliamentary purposes of a certain party. Workmen themselves

for the most part in joining a Union only wish to get big wages; they approve of that practical sentiment to which the people of Paris once gave utterance in the cry: 'Pain, pain: pas de longs discours! Bread, bread: and no jabbering!' Their guides on the contrary have imbibed a sort of milk-and-water socialism from a one-sided study of a one-sided school of political economists, and long to sow their theoretical notions broadcast through the land; though few of them, it is true, have that outspoken dreadnought manliness to be admired in Mr. Macdonald, M.P., who is currently reported as telling the miners of Normanton: 'What has Society done for you? Fly at its throat, and hold on!' The resources of a Benefit Club, whose original aims none can praise too highly, come thus to be wasted by an over-centralised Executive, though there is no reason to doubt the honour of its motives. 'Monster demonstrations' are held under various pretexts, in order to glorify the Union and its leaders, costing, if the wages lost and expenses incurred are carefully added up, twice as much as the Imperial Assemblage at Delhi: thousands of pounds are given away right and left to encourage strikes in other counties, hundreds spent in bolstering up wages at home by paying men to keep out of the labour market, and fabulous sums lost, without those explanations Economic Science has a right to expect, in so-called banking, mining, and manufacturing Co-operation. Thus it happens that when the nadir of dull trade is finally reached, and no employment can be had on any terms, trade-unionmen turn to their Friendly Society for help, only to be told the old story of a bare cupboard. The fatal effects of such mismanagement are still further increased by the fact that private extravagance is necessarily much encouraged by associative extravagance; for who can find fault with working-men for popping bottles of 'pink,' throwing legs of mutton to greyhounds, or wearing lavender kid gloves with gold rings outside them, when the miners at a miniature colliery had to invest some thirty or forty pounds in a silken banner with a desecrated figure of St. John the Baptist on one side, and portraits of Mr. Bradlaugh, Mr. Burt, M.P., and Mr. Macdonald, M.P., in swallow-tail coats and white ties on the other, in order to march in procession to hear speeches from these gentlemen on the Town Moor of Newcastle? People too, were not likely to be

thrifty, when their belief in the omnipotence of a Union, confirmed by lectures on the irresistible power of organisation and the miraculous virtues of restriction, had received no check. Besides this, there can be little doubt but that self-help and self-reliance are likewise undermined by the degrading appeal to the charity of others, which accompanies any continued resistance to the terms offered by employers; thirty years back, Northumbrian working-men declared themselves insulted by a new Vicar from the South, who tried to form a clothing club and open a soup-kitchen: now-a-days Northumbrian miners, able to earn five shillings a day, will beg rather than hew, and are not ashamed to have their dog-licenses paid by some philanthropic gentleman who has no better use for his money. Such a debasement of provincial character is heartrending in the extreme.

No man, moreover, can be a member of a Trade Union of this threefold character without having to subscribe to political objects of which he may most profoundly disapprove: a staunch English or Scotch Churchman must contribute his mite to promote the cause of disestablishment; an Orangeman has to aid in paying a member of parliament to vote for Home Rule; a Roman Catholic, though warned by his Church against secret societies, cannot well follow his calling without pecuniarily furthering materialistic education in Ireland; a labourer is required to increase the undue preponderance of 'crass Wealth' in politics, by assisting the destruction of the landed interest and the balance of power it maintains; in short, a workman may have a Liberal, Whig, Conservative, Tory, or Red Republican heart, but if he belong to such a Union, he must ungrudgingly give his appointed quota towards what certain capitalists at Birmingham dogmatically tell him is Radical Progress.

It can scarcely be held that Unions of Employers and Unions of Employed are responsible for those Lock-outs and Strikes which have attracted most public attention to the labour question, but they offer very great facilities for conducting them. Both owe their origin to the fallacy that by artificially withholding a whole class of articles for some time from the market, the price finally paid for them will more than compensate the loss and trouble occasioned by the delay.



Mediaeval lawyers termed such practices 'engrossing'; a petition to King Edward III, in 1372, for instance, complained 'that great mischiefs had newly arisen from the merchants called grocers, who engrossed all manner of merchandize vendible, and who suddenly raised the price of such merchandize within the realm, putting to sale such merchandizes as were most dear, and keeping in store the others until times of dearth and scarcity.' Many landowners formerly held similar views with reference to the minerals under their estates; they imagined that by not letting them at once, the great rents they might command at some distant period would amply atone for the sacrifice made in preserving their underground property intact; this notion is now admitted to be absurdly false, since the immediate rents would, if invested at compound interest, form a sum far in excess of the ultimate rents yielded by any increased value of minerals. The 'Engrossing of Labour' by means of a Strike, even if it succeeds, can hardly ever recoup workmen for the wages they lose, the savings they spend, and the destruction of capital they cause, coupled with a consequent diminution of their own individual wealth by reason of this retardation of national wealth. A strike is in this way far more ridiculous than an attempt to engross fresh salmon or fresh mulberries, since the services a man can exchange with another to-day are not spoilt but gone if he try to preserve them till to-morrow; he may manage to get more for his Wednesday's services if the market is then more in his favour than it was on Tuesday, but if there is any truth in the doctrine of supply and demand he might have done this in any case, and had his Tuesday's earnings into pocket. Working-men are not so ignorant of all this as many imagine, and strikes would indeed be rare events if the participators in them always remembered that the funds of their Union were the result of their own individual contributions, and that each man during the whole period of concerted idleness merely receives back what he himself paid in. Were the celebrated resolution of some Durham miners that 'ev'ry blaggerd shud keep his ain brass' universally adopted among workmen, they would think thrice before joining in a strike which would cause it all to be spent. An exaggerated idea of the amount of the central fund, and an utter

forgetfulness of its being their own collective property, which perhaps in the hands of practically uncontrolled Executives it no longer is, leads men to wage war with their employers. The more private savings a man has by him, the more anxious is he to go on working without intermission at the highest wages he can obtain. A union-leader is said once to have impressed his audience with the duty of thrift by telling them : 'Save for yourselves and you can then have a jolly big strike.' It is pretty certain that if they had followed this advice, they would never have indulged in any strike at all.

Employers, too, cannot really gain anything in fairly prosperous times from a lock-out which jeopardises their whole business, since it takes a very long period for any increase of profits resulting from a reduction of wages to make up for the loss of profits meanwhile, and the cost of keeping manufactories in idle efficiency. Lock-outs, then, hardly ever occur except when the presence of heavy losses renders the continuation of business doubtful policy. Even in such an extreme case it is probably very much wiser to rely on natural causes bringing about a reduction of wages, than to attempt hastening it by artificial means. A partial Laying-in of Works, and not a general Lock-out of Workmen, is the only sensible remedy for a declining trade. The worst manufactory in any branch of industry, that, namely, in which the cost of production is greatest, provides a Standard of Wages for the rest, although each brings in increased profits in an inverse ratio to the cost of production which prevails at it. If the worst manufactory cannot be carried on, its operatives have the choice of accepting a rate of wages which may induce its owners to keep it going, or of seeing it closed and seeking work elsewhere. In the first case, the other manufacturers naturally become entitled to the same reduction of wages ; in the second, wages tend to fall owing to the discharged operatives being thrown workless on the Labour Market, and prices tend to rise from there being less production, and therefore less competition in the Produce Market.

As regards agricultural labour this theory of a Standard of Wages is plainer still ; the worst land, meaning that which is least fertile and most inconveniently situated, cannot yield any except a nominal Rent:

it only returns an average rate of profit on the capital employed in ploughing or grazing it. Rent, then, does not form part of the cost of production, but only represents the superiority of the land paying it over the worst land anywhere farmed. Deducting an average rate of profit for the farmer from the produce of the land which pays no rent, the remainder gives us a general standard of agricultural wages. If the margin of cultivation is receding in consequence of the low price of grain, and the farmer can no longer get so much for his capital in arable husbandry as elsewhere, and his labourers will not, or cannot, make this up to him out of their wages, there is no other course than to cease tilling such thankless earth. The same law applies to mineral no less than to agricultural produce.

Leaders of civilised Trade Unions are generally perfectly sincere in their noble wish to improve the condition of their members without resorting to any unfair means; their theoretical opinions may be erroneous, and may find no intelligent response among their constituents, but it would be intensely unjust to accuse them, or indeed the immense majority of workmen, of wishing to further the ends they have in view by recourse to foul play. In almost every Trade Union, however, there are certain reasonless, rowdy, riotous, and ruthless men, who may be nicknamed 'whitelegs.' Over them a union-leader has not so much control as a headmaster over bullies in a large school; yet a very insignificant minority of this character too often exercises a boundless influence in the external and internal affairs of a Union. Except for fear of being insulted, or, if need be, kicked and murdered by animals of this sort and their still more passionate wives, two widely differing groups of workmen would never join the prevailing class of Trade Unions: those, namely, who are anxious to maintain their sovereign independence, and believe, however mistily, that perfect Freedom of Industry is the best policy both for themselves and for mankind, and those who unhesitatingly admit the necessity of a Trade Union, but imagine they can derive all sorts of advantages from it without for their own part contributing a farthing to its funds. Persecutions undergone by the former class of non-unionists confer on them all the glory of martyrdom; the despicable conduct of the latter finds meet

reward in the terms 'thieves and traitors' heaped on such 'blacklegs proper.' It is of course impossible to distinguish between these two classes, and though an explanation of the reasons which make non-unionists unpopular is offered, no apology can be framed for attacks on the social liberty of a brother-citizen.

'Whitelegs' have, generally speaking, far too much of their own way in the inner life of a Trade Society. Its meetings are usually held in public-houses; this of itself prevents in these days many most respectable workmen from attending them, and frequently leads questions of life and death to be decided by barely one-third of its members. In order to lessen this influence of a violent faction, the most advanced Trade Unions have introduced voting-papers into their proceedings; this step in the right direction, for which they are entitled to the thanks of the commonwealth, has however not entirely removed the dread felt by workmen lest they should be caught supporting what has been denounced as their employer's interest. Voting papers can be filled up under compulsion; they are collected from house to house by a man who has opportunities of noting their contents, are passed over the council-board at a tavern, or are distinguishable in the Chamber of Delegates. The celebrated Strike at Jarrow, when every man held up his hand in its favour, and when immediately afterwards not a single man was found to blackball a proposerless proposal to resume work, is, so far as my information extends, the only case in which workmen have ever agreed to a regular ballot. Trade Unions fight very shy of a suggestion to ascertain the opinion of their members with the neutral apparatus used at parliamentary elections, or to allow decisive meetings to be held in some orderly place, with the attendance of every interested workman fully assured. It is naturally undesirable that a representative of the employer should be at any discussion that precedes the ballot, but during the voting itself his presence is most essentially required. On the other hand, popular prejudice often unjustly denies a Trade Union the use of rooms well suited for such purposes.

Objections similar to those urged against the present methods of ascertaining the opinions of a body of workmen apply to the way in

which a Union collects the subscriptions and extraordinary contributions of its members. Its local treasurer is in attendance at the office where the men are paid ; and most of them are foolish enough to fancy that in case of their refusing to comply with the demands of the Union official they would at any rate be hooted and hissed by their assembled comrades. If the law forbidding employers to deduct anything in paying workmen from their gross earnings, had made it penal also to 'levy' contributions for a Trade Union on like occasions, the existence of such associations would have been rendered most precarious. Could workmen once get safely home, their wives would take good care of the coin ; so true is this, that some miners in the county of Durham are said to actually send them to draw their money at the colliery pays, since the good ladies repel all requests, demands, and threats made on behalf of the Union with most supermasculine courage. Legislation of the kind here suggested would furnish that discriminating test which it is most essential to obtain between Involuntary and Voluntary Trade Unionism ; the former cannot be too severely censured and suppressed, the latter may be grounded on mistaken policy, but is at any rate worthy of our highest respect.

The two favourite nostrums with which an Involuntary Trade Union imagines it can raise wages, are the restriction of the number of workmen in its particular branch of industry, and the restriction of the amount of work performed by its members. Making every allowance for corporate feeling, and for praiseworthy unwillingness to take the bread out of another man's mouth, it is nevertheless useless to say that anything except open or veiled violence can prevent a workman from entering a trade or district where the proffered rate of wages is higher than in his own. As regards the general labouring population of the kingdom all such restrictive regulations are manifestly a great hardship ; they create monopolies in favour of richer as against poorer working-folks. Even if they gained any real benefit from such monopolies it would be most selfish wickedness for one particular group of workmen to hinder or prevent other workmen from bettering their position ; nothing, for a very trifling example, can be more unjust than to deny the right of a strong Suffolk lad to hew coals until he has paid

an entrance fee of a guinea or two to some salararian-beneficent-political Miners' Union. That people conniving at such a state of things should have the impudence to dub themselves 'the friends of the working classes' passes the bounds of credibility.

The Masons of London have an indefeasible right not to work unless master-builders give them what wages they want, their printed rules are on the whole unimpeachable, and their leaders probably honourable and upright men; yet in consequence of the unauthorised assistance lent to their Strike by 'whitelegs,' the Palace of Justice now in course of erection has had to be converted into a Prison for Guiltless Workmen. Truly there is some use in having both leaders and 'white-legs' in one Trade Union: 'Their movements resemble those of the man and woman in a Dutch weather-house;' in the serene atmosphere of the Times newspaper the union-leader can air his tolerative principles, while the operative 'whiteleg' in a murky thoroughfare can 'pin like a bull dog' an obnoxious non-unionist. In consequence of the wages of masons being artificially raised in this unfair way, the poorer dwellers in our large towns are forced to huddle together in miserable courts and abominable dens, since they cannot afford to pay for decent accommodation the high rents that an abnormal cost of labour in the building trade necessitates. Some men, if such a national calamity were pointed out to them, would possibly retort: 'What has the Nation done for us? why should we care for the Nation?' Which, being interpreted, means to say that could they gain three or four shillings a day more for themselves, they would as soon see a Muscovite Prefect as a Lord Mayor in the Mansion House.

All restrictive regulations, whether applying to work or workmen, really injure those in the long run for whose benefit they were framed. They prevent the productive power of a country being developed to the utmost: national wealth is not increased in the way it would be under complete Freedom of Industry, and each individual citizen is consequently a loser. Let us suppose that every Trade in the land was thoroughly 'organised,' and that there was no such thing as Foreign Competition. Shoemakers might then double their wages by making only half the present quantity of shoes, the prices of which would in

this way be well nigh trebled immediately; tinkers, tailors, butchers, bakers, and candlestick-makers might all attain by the same means the same state of superficial prosperity, but when each workman came to spend his largely increased money earnings, he would find that he could not, in that Paradise of Trade-Unionism, procure nearly one-half of the real gratifications that more natural wages bring him in at present. Manual labourers see this clearly enough when their own interests seem to jar with those of associated mental labourers: unionist miners have shown no pity for the professional feelings of medical men. The wages of the latter, like those of lawyers, depend not so much on the amount of each fee but on the number of fees received; and working-men need not be too hasty in following such examples since the money spent at the Bar is well known to be more than what is made there, and no corporation of manual labourers would relish thus working for nothing in the aggregate.

Trade Unions, unless prudently managed, may drive away business from a particular locality or entirely lop off an important branch of industry. The demand for labour is not a fixed quantity, neither is the demand for any product of industry; if the services of workmen cannot be procured on remunerative terms people will manage to do without them and consume their capital unproductively, so too, if coal exceeds a certain price, they will either endure the horrors of German stoves or envelope themselves, as Punch suggested, in furs and rugs. There is no definite wage-fund, and no definite coal-fund. Foreign competition, both at home and abroad, will not allow the price of English products to be raised above that for which such articles can elsewhere be procured. An immigration of foreign workmen only exhibits in more vivid colours the effects of this competition: doors, window-frames, and even entire wooden houses, can be sent over ready-made from Norway, while stone can be cut, dressed, and carved at Caen; the arrival of Norwegian joiners or French masons would merely attract more attention to the subject. It is nonsense to have Free Trade in the produce of labour, and Protection as regards labour itself. The workmen of a former generation clamoured for a law to forbid the Huguenots flying from the dragonades of Louis XIV. to land in

England, because they fancied that the presence of such industrious settlers was sure to pull down the then rate of wages. Our island cannot possibly be at the same time a refuge for discharged kings and forbidden ground to the victims of a modern craze for soldiering. Nor will logic permit us to deny the right of immigration to neighbours on the one side, and claim it for ourselves from neighbours on the other. One branch of industry, that of hotel-waiters, is now almost monopolised by Germans, but no outcry has yet been raised against them. Englishmen who otherwise might have followed that avocation, have easily found new fields for their energies which are less in harmony with the character of our Continental cousins; and instead of this foreign competition lowering the wages of domestic servants, they have, without any more general or permanent Union than that of the bonny lassies of Dundee, risen and remained far higher than those of other labourers and labouresses. There is no pleasure in harping on such a subject as an invasion of Old England by Chinese workmen, and it may be hoped that our damp climate will not suit Celestial lungs; if however English workmen turned their national talents to the best advantage, the result of this dreaded immigration might merely be, that each of them would have two yellow servants at his beck and call.

Besides this, the Emigration of Capital exercises a far more potent influence in hindering an advance of national wages than importations of foreign goods and foreign labour. Nevertheless, the connection between the most distant ends of the earth is, economically speaking, so intimate, that a wise investment of capital abroad is a great source of home prosperity; trainload on trainload of wheat is carried down to the sea-board by Indian and American railways constructed with English capital, and the price of bread here is thus kept marvellously low. Free International Exchanges in these several ways powerfully promote the cause of peace; Her Majesty has no loyaller subjects than foreign settlers, who by reason of the detailed comparison they can draw between Continental and English institutions, are often more out-and-out John Bulls at heart, than men whose ears have never been free from the jingle of Bow Bells, or who have grown old in the most rustic of midland districts; foreign securities too, make their holders chary of agitating for war with guaranteeing Governments.



As regards the emigration of labour, well authenticated statistics of the real gratifications, procurable here and in younger countries by a day's work of equal length and equal toil, afford the one guide by which a labourer can tell whether he is wise to think of leaving England. Wholesale shipments of farm-workers, duped by vulgar crazes about land, for Nevada, Nicaragua, or North Australia, can only lead to bitter disappointment and colonial wretchedness. We fortunately possess exceptional advantages for the disposal of any surplus population, and if only the departure of English workmen is the result of natural and not artificial causes, it is an equal advantage to those who sally forth, and those who stay at home. Every Nation obtains its due share in augmented Universal Wealth, just as every individual obtains his due share in augmented National Wealth.

Were British working-men not so constantly told by friends, who like those of the Spanish *hidalgo* may perhaps be worse than enemies, that kings, bishops, and squires are the only fools in creation, it would be contemptible conduct to allude in any way to the lamentable ignorance too often displayed by men, who have hitherto been blessed with few educational opportunities. Error no less than Truth, it is well to remember, boasts a long roll of noble martyrs; several high-souled young men fell, sacrificed to their convictions, in the Wiltshire riots against agricultural machinery, and even among the Parisian Communists there were some stray gleams of an heroic self-abandoning adherence to the most ill-digested of socialistic phantasies.

O'Connell's opinion of Trade Unionism is well known—'There is no despotism more degrading than that exercised by one set of workmen over another; absolute governments furnish us with no example of equal subjection.' Our sister island has bitterly experienced the truth of those words. Messrs. Magnay and Elliot, the great papermen in London, established mills in the South of Ireland, and employed large numbers of people at twice the wages they received when they could procure employment elsewhere; soon however, they demanded higher wages, had a strike and then a riot, in which they set fire to them ills; the County had to pay for the damage, but the factories were not rebuilt and the people were left to starve. Kilkenny at one time drove a roaring trade in blankets, and was specially adapted to the manufacture;

the Government contracts were usually placed there, till one year, when the employers had completed their agreements without a strike clause, the whole of the workmen struck for double wages; these they received, the contracts were worked off and the blanket manufactories closed, never again to be opened. Dublin once had a large shipbuilding business, especially in repairing vessels sent over from Liverpool; some fifty years ago a Strike took place—non-union-men were murdered—and in two years there was not a shipbuilding yard in Dublin. The manufacture of starch from potatoes was interdicted by secret societies, because it consumed the staple food of the nation.

A most prominent Trade Union official in the North of England, when on the point of going on strike a few years ago against the workmen who patronize him, wrote to a leading Radical newspaper in terms almost less complimentary to the intelligence of modern labourers and their abhorrence of tyranny, than those made use of by the great Irish statesman. Economic fallacies are, indeed, harboured and cherished by workmen who in other respects march in the vanguard of national progress. The introduction of wire, instead of hempen, ropes for purposes of colliery haulage, was violently opposed by Durham miners; sliding cages when first introduced to replace dangerous baskets, in which men and minerals were formerly drawn to the surface, were denounced as interfering with the ventilation of mines, and a strike accordingly took place. When steamers began to tow keels on the Tyne, which till then had required four 'leish, blithe, and bonny lads' to navigate them, violent attacks were made on the enginemen, and swarms of men, women, and children lined the river-banks, loading the detested paddle-boats with choice local imprecations, in the vain hope that they might sink them to the bottom. The direct shipment of coals through spouts into sea-going vessels, was another grievance with the keelmen, who formerly took them out to the ships in their small craft: the spouts, it was alleged, were certain to block the water-way; and no mere personal interest, but a high sense of public duty, urged them to prevent this disaster by every means in their power. Ninety per cent. of the black bottles used in England were formerly made on the Tyne, since the requisite materials could be there procured at the very

cheapest rates ; but the workmen engaged in their manufacture were among the first to indulge in modern strikes, and, therefore, there is now no black-bottle-house on the river. By the same means the rest of the Glass Trade in the Newcastle district has been sadly crippled, and it is perhaps neither the fault of coal-owners nor coal-hewers if the staple industry of Northumberland has partially escaped from a similar catastrophe.

This sombre picture of the effects of Trade Unionism might be charged with still blacker colours by citing instances of those Manchester and Sheffield atrocities, which still go on eclipsing with their secret horrors everything that Cossack or Circassian has openly perpetrated. But, happily, there is another and a brighter side from which Trade Unions must be viewed. It must be admitted by all, except the most bigoted of opponents, that many of them have done a great deal of good which possibly nothing else could so speedily and efficiently have done. They have roused important groups of society from the sleep of indifference, and forced them, willing or unwilling, to take a deep interest in social questions ; they have boisterously called them to political self-consciousness, impressed them with the necessity of keeping some look-out ahead, and even gained for them in some quarters a certain superficial recognition of equality. This rough work accomplished, the mission of Trade Unionism must either cease or change. When once people have been properly educated, they can trust in all economic matters to their own private judgment ; they can choose their own political as well as their own religious creed, and learn to invest their hard-earned savings more profitably and securely than do the Executives of many Unions with over ten thousand members. As regards their employer, any feeling of dread or compulsion must completely mar that mutual respect and confidence on which the only satisfactory relations between them can possibly be based. Thus it is that Trade Unions of the common kind, together with their heroes, are as glaring anachronisms in this last quarter of the nineteenth century as Fathers of Peoples, Saviours of Society, and Soldiers of Culture.

The exact way in which Unions of Workmen may be transformed

and modified in harmony with the teachings of experience and the requirements of the Age is, of course, a very debateable problem ; but now, at any rate, is the time for setting about it, and the fearful trial through which thousands of English families are at present passing would not be so unmixed an evil if it lead them to carry out such reforms in the future. Already we have many opportunities of noticing that the evil features of a Trade Union tend to disappear in proportion as its members are better educated, and more care is taken of its finances. Skilled artizans, for example, in establishments where workmen, breathing free country air, enjoy all the social advantages, without being tainted with any of the vices, of large towns, almost entirely restrict the sphere of their Unions to that of simple Friendly Societies. Indeed the most advanced groups easily find representatives who do look something like ideal working-men, since they have reached a stage, where being able to form their own opinions and express them in candid fashion, they do not require to entrust the direction of their affairs to liberally-paid agents. The difference between working-men acting as their own representatives and employing professional leaders defies measurement: the first mode carries with it all the healthy independence of an educated democracy, the second generally ends in that blind self-effacing democracy which is only another name for Imperialism.

A model Trade Union would indeed widely differ, on this and many other essential points, from those organisations to which the foregoing remarks have principally alluded. Its members, instead of forcing every workman to join them, would be careful as to whom they admitted to the privileges of their society. Like a wise Government, they would shun the dangers of centralisation and rely on local and individual energies ; in every establishment a Union complete in itself would be formed, and only federated with neighbouring Trade Societies as occasion required. The various branches of its business, moreover, would be kept perfectly distinct: the Friendly Society would merely afford assistance in those cases where no question of wages arose, and the vague strike-fund, which is now so very generally confused with it, would be converted into a Savings Bank to which every

member would agree to contribute the same weekly sum, receiving regular interest on his deposit and holding it in readiness to fall back on in case of any dispute with his employer. Each workman would thus be led to exercise that personal control over the finances of his Society, the want of which has caused the funds of so many Unions to evaporate, and he would likewise be certain of fearlessly making his own individual opinion felt, for the decisions of his Society would be taken by an orderly ballot, and come up from the members themselves, instead of being sent down for ratification, after the fashion of an Imperial plebiscitum, by a central Executive. Once for all indeed the associated workmen would recognise that it is to industry, thrift, and education that they must look for their advancement in the world, and, believing that unrestricted competition assures the highest rewards for such conduct, they will not only throw no obstacle in its path themselves, but will attempt to dissipate any union of capitalists that stands opposed to them by opening direct negotiations with their respective employers, and conducting them with moderation and consistency. Leaving all its members free to follow their own inclinations in matters of pure politics, such a Trade Union would be able to devote its attention the more closely to their protection from injustice or carelessness. Amid all the strikes and mass-meetings that have taken place, it is curious to notice how few are the instances of workmen practically insisting on having the risks they run minimized to the utmost; if the miners at Blantyre had refused to go down the shaft there until detaching-hooks had been provided in order to guard against the danger of 'over-winding,' the last accident, at any rate, would not have occurred at that ill-omened colliery. But all such precautionary measures, though workmen might easily enforce their adoption, are now left to the care of Parliament, in order to serve the ends of political propagandism; and, thanks to the arbitrary barricades between different districts, which the National Union of Miners steadfastly conserves, almost the lowest wages are paid in those very pits where employment must naturally be most hazardous, even after every means of ensuring safety has been scrupulously exhausted.

Nor is it for protection from employers only that an Association of

Independent Workmen is desirable : there is much for it to do in the way of protection from scheming agitators and desperate 'whitelegs.' The present subjection of British Industry to the worst forms of Involuntary Trade Unionism is due in great measure to the absence of self-asserting organisations among believers in Social Liberty. Things will never go right, although it be pure Erse to say so, until powerful trade unions of non-unionists are formed. As it is, the majority in every trade are very much at the mercy of two insignificant minorities. Scarcely a strike passes without some act of violence transpiring, unless indeed the reign of terror be at so white a heat that no independent workman dare so much as think of resuming work except on terms approved by the Union. At such times the surface of peaceful toleration is naturally unbroken by the slightest disturbance till a few workmen accept their employers' conditions, when they are immediately 'tin-canned' and stoned; and if, after the signal collapse of the strike has proved that the sufferers were in the right, any of their assailants are positively or negatively punished, a member of our Legislature may chance to hint that such measures are likely to 'embitter the future relations between employers and employed,' and matters, dishonouring us in the eyes of Europe, get tamely hushed up without any further inquiry.

The four objects here assigned to a Voluntary Trade Union are all legitimate objects of association since none can deny that, as regards each of them, the interests of every member and the interest of all members is the same ; but when it comes to the regulation of wages there is an absence of any such common interest, and our Union, after putting its members in possession of all the information relating to the labour market that it can collect, might allow them perfect freedom of choice concerning the wages they choose to accept. Indeed the class interests of workmen are as illusory as the class interests of their employers ; it is no more to the advantage of a labourer that his comrade should receive an equally high rate of wages with himself, than it is to a manufacturer that his rival in trade should benefit by an equally low cost of labour. The best workmen are not assisted by a Trade Union to obtain their just increase of earnings above the minimum of wages

which it endeavours to establish, for they themselves are the only interested judges of how far their services exceed in value those of their comrades. If, on the other hand, this minimum is fixed too high, the worst workmen will not be employed, it is therefore for them to consider what is the lowest rate of wages they choose to receive, and they exercise in this way just the same influence in providing a standard of wages for the rest as do the worst land and the worst manufactory. It is therefore most important for the best workmen that by putting forth their full talent and strength they should either render the employment of less-favoured hands unnecessary, or should cause them, as business slackens, to turn their energies elsewhere; their own wages must be both absolutely and relatively diminished if by means of a Trade Union they aid and abet such competition with themselves. In fact when a trade gets very depressed, and the labour market is exceptionally overcrowded, it is only the best workmen, and those more particularly who have savings of their own, that are left behind; the others find it impossible to make a living, and gradually drift off, no one knows whither, although the marvellous way in which they are absorbed and forgotten makes one sometimes fancy that the piper of Hamelyn must have played them off into some mountain cavern, from which they may emerge to repeople Bulgaria.

If any workman consent to receive wages below the natural rate to which the golden rule of supply and demand would have brought them, he decidedly does not injure but may even benefit his fellows, since, by definitely withdrawing himself from the market, he lessens the effective supply of labour, and tends to increase the effective demand for it by the amount of the earnings he has foolishly forgone. Bargaining is a great art, and it is for those to benefit by it who possess the special talent it requires. Indeed the effective supply and effective demand for any article or service is never the same for two consecutive minutes, so some speculate at the beginning of a market, others stand out till its finish; one hind engages himself early on in the day for twenty shillings a week, another waits to the close of the hiring and gets twenty-three, owing to the sharper competition of the farmers over the residue: for no farmer is going to lose the very man he wants merely because he

has previously made a less onerous contract with another ; indeed his exceptionally good luck in the first instance will probably lead him to outbid all other agricultural capitalists in the second. If, on the contrary, the market was a falling one, that is to say that there was more labour than capital in play, then better bargains might be made by the men in the morning than in the afternoon. Those who sell their services too cheaply have only themselves to blame, and will be taught by this wholesome lesson in individual responsibility to be wiser at the next term-time, while the more fortunate merely reap the reward of their own clear-sighted cleverness.

Nevertheless these are by no means popular doctrines, and Trade Unions constantly supply us with delightful examples of the effects produced by an unquestioning adherence to the principle of collective action in determining rates of wages :—a man, who highly resents the off-hand way in which his employers have treated him, but knows the total inadequacy of the unsquandered funds of his Union to make a strike successful, has to starve as a forlorn hope for eight long weeks merely because his comrades have not kept so careful an eye on their common property ; and sixty-five per cent. of the men in a Union may be ordered to submit to what they were just told was ‘ crushing tyranny and damning despotism ’ in consequence of some obscure rule, which, calumniating their power of calm deliberation, declares a majority of two-thirds to be indispensable to a strike. One individual workman desirous of continuing at work, or an absolute majority of workmen anxious to reject the offer of their employer, are equally deserving of our pity and sympathy, for both are the victims of a mistaken system, which sacrifices the right of private judgment to the supposed need of preserving uniformity where no unanimity exists.

Surely, then, a Voluntary Trade Union may allow its members to work on whatever terms they severally choose to make ; if a man is satisfied with his wages himself, every one else must needs be ; if he is not, then he has his own independent resources ready for a tussle with his employer. Even if it did not shift the responsibility of the dispute on to the capitalists by causing a genuine lock-out, this toleration of a small minority of its members being at work during a strike would be



most astute policy, as the expense of keeping manufactories going with few hands is much heavier than that of maintaining them in idleness, while at the same time there would be less likelihood of the trade itself being permanently damaged. An Involuntary Trade Union is naturally obliged to prohibit any such concession to a minority, because if they went on working unmolested by 'whitelegs,' the rest of the members, in spite of all the eloquence of their leaders, would soon follow their example. There is no harm in an individual throwing up his employment or dismissing a workman, if he chooses to do so at his own risk. The evil of strikes and lock-outs lies in their universality; instead of raising or lowering wages by that action and re-action of separate atoms, dear to social no less than to physical Nature, an attempt is made to harmonize two unwieldy masses, and the enormous distress and fatal discord which result find their only parallel in the horrors of inundations, earthquakes, and avalanches.

If these views be not correct, if each individual capitalist, and each individual labourer, be not the best judge of what wages he is to give, or to receive, it is impossible to say where the present mania for hostile combinations is to end; we shall finally rejoice in two huge International Societies, and a glorious series of International Strikes and International Lock-outs. But we are told that, without resorting to that individualism here advocated, there are methods of avoiding all these evils, and we therefore pass on to examine these various methods, by which two rival Trade Unions, both resting on unsound economic foundations, are supposed to be able to remove difficulties solely created by themselves.

#### V.—POPULAR SOLUTIONS OF THE LABOUR QUESTION,

The frontier between Economics and Morals can be distinctly traced: our business transactions are subjects of the first, our affections form the province of the second. Men may act up to the highest and purest sentiments of chivalrous devotion and cordial charity, but they are not going to take these principles for their guides in money-making. 'If a merchant,' says M. Bastiat, 'began to conduct his sales on principles of brotherly love, I wouldn't give much for the chance of keeping his children one month off the parish.'

And we may safely add that, long before the month ran out, the merchant himself would be in custody for swindling. So, too, when a man enters an association, Political Economy concludes that he does so for his own personal interest, and that he will remain in it so long only as he gains more advantages inside than he could outside it; but Socialism hopelessly confounds the two sciences together, and, though strangely enough generally denying and ridiculing everything we regard as most sublime and noble, labours to persuade us that men can be got to work from Tuesday morning till Sunday night, not for any visible benefit to themselves, but merely out of abstract devotion to the Commune at large. Nevertheless, on descending from the study to the workshop, it is one of the hardest things in the world to firmly carry out this broad distinction between business and attachment; nor does anything add more heavily to this difficulty, especially with believers in those old doctrines of reciprocal duties which Radicalism so lustily denounces, than constant fluctuations in the value of labour.

Holding fast to the theory, broached in the last section, that in every branch of industry, it is really the least efficient labourer at the least productive establishment who acts as an index to the rate of wages pervading the whole trade, there still remains the question of what remuneration he and his nearest companions are to receive. As business grows brisker the standard of wages naturally rises, since new works are started or old works are extended, and fresh labourers of an inferior stamp are sought after. No combination of workmen can raise wages in a rising market so fast and so high as open competition, and wise indeed for employers would be that policy of voluntarily granting advanced remuneration before it was asked for, which, M. Batbie tells us, would be the death-blow to Trade Unionism, if it would not probably, as matters now stand, lead to suspicion and discontent among the recipients. But the decline and fall of any industry supply far more dangerous opportunities for contention than does its rise; and the reduction of the standard of wages at those marginal manufactories, where profits tend to vanish the moment dull times set in, requires no small amount of tact and forbearance.

The exchange of services between an employer and his workmen,

let me impressively repeat, is no mere barter, but rational co-operation of the highest order. If nature be left to itself, a very strong sympathy necessarily springs up among the members of such an association, and when a common misfortune threatens to overwhelm them, instead of imitating the cats or the blanket-makers of Kilkenny, they will only draw closer one to another. An employer is loath to part with his old workmen, while they do not wish to abandon their old homes; and under such circumstances it is evidently most desirable that the two interested parties should be brought into immediate contact, in order that they may see if, by mutual sacrifices, their association can be rescued and prolonged. Without pandering, as some capitalists most ungratefully and dishonourably have done, to the vulgar cry that acting managers are to blame for all trade disputes, or in any way weakening that strict discipline necessary to the success of a large enterprise, it still may be maintained that the actual receiver of profits, or bearer of losses, is the one person capable of saying whether a place is to be carried on at some reduction of wages or definitely to come to a standstill. This is a question, not of management, but of finance. It can only be satisfactorily settled by the capitalist himself, who is very often the sole possessor of those details of both the making and selling departments on which the whole matter hangs. On the other side, deputations and representatives may be all very well, but it is far better if each workman can individually 'interview' his employer, since the play of features, the mode of expression, and the tone of voice, which put such different construction on the same words, can never be faithfully reproduced even by the most trustworthy of middle-men. In this way, moreover, each workman would be enabled to form his own opinion as to whether his employer were the blood-thirsty ogre, depicted by professional agitators; and an employer would certainly press matters no further than dire necessity required, when he was conversing with a man directly affected by a reduction of wages, instead of telegraphing to his agents from Paris or Homburg: 'take thirty per cent. off all round.' Much good can be done by a careful and unreserved statement of the whole case; and it may even be wise to show your own workman your account-books, if he will deign to look at them, since in good times his

fancy will generally square your actual profits, and in bad times he can hardly bring himself to believe that you are hopelessly losing money : indeed, a minute study of figures has a peculiarly cooling effect on heated imaginations. All the workmen may consent to remain at reduced wages, or some may try their fortune in other fields, or the whole negotiations may fall through, and the works be finally closed, but neither course admits a spirit of rancorous animosity. The result will gradually influence the rate of wages through the rest of the trade ; one individual employer, however, remains the supreme judge as to whether he can elsewhere procure a higher rate of interest—not mere pecuniary interest—on his capital, and each individual workman remains the supreme judge as to whether he can elsewhere earn more real gratifications with his labour.

Recommended alike by moral and economic considerations, this plain-sailing matter-of-fact way of regulating wages has few friends. It affords no opportunity for florid declamations on the ‘juggernautine car of capital’ or the ‘trade-destroying unreasonableness of the working-classes,’ and is thus almost universally thwarted by visionary class interests and stolid class conceit. No employer is now supposed capable of appraising the services of a workman without consulting rival employers ; no labourer can be trusted to appraise the services of an employer without seeking the advice of rival labourers. Individual Liberty, we are told, would inevitably ruin all the manufacturers and all the workmen of the kingdom ; so nearly every trade in the country is made dependent on negotiations between hostile Trade Unions, as though the amount of capital and the amount of labour employed in it were unchanging quantities. The fatal consequences of this obstinate blunder, as shown in perpetual strikes and lock-outs, lead all sensible unionists to look around for some means of warding off such internecine disputes. The most obvious of these, as being the nearest imitation of the natural means we have just considered, is, that representatives of the two associations should meet together and endeavour to arrive at an amicable settlement, or, as it is usually termed, Arbitration.

Such an Arbitration necessarily implies a certain compact between

a Confederation of Employers and a Trade Union. The latter, it is taken for granted, embraces all the workmen interested in the matter at issue; and although there may be two or three separate combinations among them, and the majority at many places may be in no Union at all, this is not recognised in an Arbitration, and no independent workman is allowed any voice in proceedings which directly affect him. Indeed, the whole policy of the iron and coal trades during the last few years has been to drive all those they employ into Unions, in the belief that better terms can be made with such associations than with individuals. Lord Fitzwilliam is, perhaps, the only coal-owner who resolutely stood up for the liberties of his workmen, and at one large colliery in the county of Durham all miners were actually ordered to join Mr. Crawford's Union under pain of dismissal. Nor is any more care taken to ascertain the way in which the delegates of the men are elected: whether a man jumps up at a tavern to declare himself chosen with the alacrity of John XXII., who, legend says, solved the puzzle of the conclave at Lyons by shouting out, 'Ego sum Papa: I'm Pope,' or whether the election takes place with impartial order in the presence of all the workmen, is a matter of the most supreme indifference to those holding in their hands the keys of English industry. It is evident that an attempt to settle disputes with plenipotentiaries, who have either no credentials or false ones, can only be mere mockery; and in dealing with them that genuine sympathy existing between men and masters is naturally replaced by arrant humbug. Nothing can be more pitiable than striving to patch things up by truckling to the delegates of a Trade Union; yet employers will consent to discuss matters, and even show their accounts to professional agitators, who have nothing to do with their trade beyond calling them slave-driving Legrees, or loudly 'blathering' that there is no earthly use in an employer except to keep 'a well-groomed horse and sleek hound.' Most extraordinary does it seem that many manufacturers, who, Mr. Burt, M.P., would say, scorn to shake 'the horny hand of labour,' are almost ready to kiss the oily paw of Socialism. This naturally leads workmen to imagine that the profits of their employers must indeed be illegitimately enormous, and awakens a suspicion that calumny and abuse are gladly

submitted to in order to strengthen the influence of the union-leaders, with whom the confederation of employers is allied.

Arbitrations, however, conducted by an equal number of arbitrators on either side do not often end a trade dispute, since workmen rarely succeed in finding representatives who dare to injure their popularity by consenting to a considerable reduction of wages, even if they themselves, after having had access to the books of the manufacturers, see that it is within the bounds of what necessity demands. The delegated arbitrators, therefore, who are sent to get things settled, not unfrequently refuse point-blank to waste time in discussing the question, and immediately leave everything to an Umpire, thus subjecting the fate of thousands of toiling citizens to the absolute will of one fallible mortal. Now, an Umpire, who, when the self-adjustment of wages by two-sided competition has been checked, is to find out the worth of a man's services, according to some other rule than what people will give, and the man himself take, must be endowed with extraordinary talents and a very fair dose of self-confidence. Forbidden to confess that things would right themselves without his intervention, by simply asking what is the supply of labour and what the demand for it, he must, in order to make a fair award, take cognizance of everything else affecting the workmen and their employers. He must compare trade with trade that he may say how much more or less the workmen in one ought to receive for their services than the workmen in another; he must compare district with district, and invidiously decide, by a careful examination of the men in each, whether those at his disposal are better or worse than the rest. He must be able to tell what profits employers ought to be contented with, or what losses they ought to sustain, and, at the same time, either pronounce them sane and capable of conducting their own business, or give it as his opinion that by better management, and an improved system of working, they might so materially reduce the cost of labour as to render a reduction of wages unnecessary; he must dive into the home life of the workmen to determine whether they could not do with fewer luxuries and be put on more nourishing diet at a cheaper rate; he must pay every attention to fluctuations in the value of money, and satisfy himself as to

the effects of gold currency in Germany and debased silver in America; he must obtain minute statistics as to the state and prospects, not only of the trade he is dealing with, but of all others in the world, for they are intricately interlaced and inseparably commingled. In short he must, in order to harmonise the pleasure of reward with the pain of work, be a judge of all the thousand circumstances which affect sensibility and thoroughly conversant with every detail of local practice and economic science, thus verily proving himself

—‘*Maris, et terræ, numeroque carentis arenæ Mensor.*’

—‘*A metter o’ yairth, an’ sæe, an’ saand that nane can noomer.*’

How near the general run of Trade Umpires have approached this lofty standard of proficiency is sufficiently notorious. Precluded from examining the justice of the case from an economic stand-point, for that would have been to acknowledge their own uselessness, they very often seemed to think that the safest policy consisted in splitting the difference between employers and employed, and afterwards manufacturing the most plausible reasons for doing so that could be discovered. This naturally widened the breach which Arbitration was to close: ‘we must have something to arbitrate upon,’ was no uncommon expression, so employers made a practise of asking for double the reduction of wages that they would have sought in dealing with individual workmen. As long as Trade Umpires copied the wisdom of Solomon, things went on well enough: workmen were told by the union-leaders that Arbitration saved them from submitting to the full reductions demanded, and manufacturers were mightily well pleased with it, as it gave them just what they wanted; but any remnant of confidence between the two parties was destroyed, and certainly no encouragement was offered to honesty and plain-dealing on either side. Unluckily, at last one Trade Umpire broke through this traditional policy by giving employers more than they really wished, and thus reducing the wages of a special class of skilled workmen below those they could manifestly gain in the general market; another soon after gave employers no relief at all, and Arbitrations have consequently gone very much out of fashion, at any rate in the North of England.

It is well to pause and consider some stock arguments such as are used in Arbitrations. The worth of a comparison drawn between different districts is capitally illustrated by two letters which appeared in the same column of the Times newspaper last winter : a Northumberland coal-owner pleaded in the first that wages with him ought to be immediately reduced to the Welsh level ; a Welsh coal-owner declared in the second that, unless the wages of Welsh miners were pulled down in the same proportion as they had been in Northumberland and elsewhere, it was all over with the Silurian coal-trade. Then, too, nothing has had a more fatal effect on British industry than the attempt to arbitrarily decide how much of the earnings of the best paid groups of workmen is due to their superior efficiency, and how much to a more favourable field of labour. 'If we raise a larger tonnage of rounder coals,' the most able miners in England not unreasonably surmise, 'the owners will at once go in for another arbitration and rob us of all the fruits of our increased industry by reducing our wages to some National Average.' They consequently either reject or nullify any scheme for increasing wages, and, at the same time, reducing the cost of labour: while formerly, when the market was in their favour, the hewers at some particular colliery, or in some particular seam, had only to 'fox' and 'cook the average' by doing less work, and they immediately became entitled to an advance. A National or a County Average of the daily wages obtained by piece-work is, of course, no fixed standard, as it is sent up or down by every local variation ; and a blind reliance on it engenders, as we see, a very pretty sort of morality. Finally, the possibility of manufacturers doing with scantier profits, or heavier losses, cannot, it is manifest, be decided by an inspection of their ledgers, without, in all fairness, examining at the same time the house-keeping accounts of their workmen, to see if they spend their wages in a manner which leaves no room for curtailment. A domiciliary inquiry must, therefore, naturally accompany an official visitation. Mr. Burt's open proposition, for instance, that the miners in Northumberland should contribute  $7\frac{1}{2}$  per cent. of their earnings to his Union, had much to do with the firmness with which the coal-owners there insisted on a large reduction of wages last winter. But workmen,



justly holding that every Englishman's cottage is his castle, would not relish a searching inquiry into their private affairs; and, in the same way, employers of labour cannot be blamed for declining to show their balance-sheets to professional leaders of Trade Unions, who have no personal interest in the wages-question, but merely wish to ferret out how far they can push their rules, regulations, and restrictions, without immediately injuring their supporters by prematurely hastening the ruin of the trade.

The principle of Arbitration cannot, however, be limited merely to determining the value of the services rendered by one special group of society. If true, it should undoubtedly be applied to every exchange of services; if sellers and buyers are not to be trusted, a third party decidedly ought to intervene and settle the price of every article and service: a grocer should be called in to say what a baker should charge for his bread, the baker should tax the fees of a lawyer, the lawyer should ticket the joints for a butcher, who might be charged with instructing the grocer in the art of selling figs and raisins. But assuming that Arbitration is a reasonable way of regulating wages, two objections to it will be admitted even by its warmest friends—the prodigious time it consumes, and the difficulty of finding really suitable Umpires. With a little diplomacy, an Arbitration can be made to stretch over three, if not six, months, while the position of parties remains the same pending the award, which may be finally published in entirely altered circumstances. As to Umpires, a practical one, acquainted with the locality, will always, in spite of himself, have a leaning on the side of Capital, while an amateur, requiring to be taught all the details of the trade, cannot, even if possessed of an iron will, altogether escape from favouring the suit of Labour, as sympathy with the weaker cause has become so marked a feature in English character, that if wages were regulated, as formerly, by the Court of Quarter Sessions, country gentlemen would be found strongly biassed against manufacturers. A want of careful economic training is, however, a more radical defect in the mind of a Trade Umpire than either of the foregoing; and if the whole reasoning of an award is vitiated by inability to clearly distinguish between ‘the cost of labour’ and ‘the

cost of production,' it is hard to refrain from expressing a wish that Trade Umpires might be examined in Mrs. Fawcett's admirable 'Political Economy for Beginners' before proceeding to regulate the wages of their brother-citizens.

'Suppose the coal-owners put it beyond controversy,' Mr. Herschell, Q.C., M.P., dogmatically asked, in his award on the Northumberland Coal Trade in July, 1877, 'that the wages' cost of production in Northumberland is considerably in excess of that of the other competing districts, what is there to show that this may not be counter-balanced by special advantages which they enjoy, or special burdens with which the others are weighted?' A line of argument which means that if the total cost of production is low in a district, the cost of labour ought to be high; and, by necessary implication, that if the total cost of production is high, the cost of labour ought to be low. According to this remarkable rule, a farm labourer who happens to be employed in ploughing land which yields eightfold is only to receive half the wages of another, in no way superior, who is fortunate enough to be cultivating land yielding sixteenfold; while a miner working in a fiery seam at a colliery where the total cost of production is very high, owing to the need of constant pumping, artificial ventilation, vigilant superintendence, and special precautions, coupled with a heavy rate of insurance against the possible loss of the invested capital through unforeseen accidents, is to be content with a scale of remuneration far inferior to that obtained by a miner, his very double, who is hewing in a hillside drift, where there is plenty of natural ventilation, no gas, no water, and no old workings to be dreaded. Jurists are, perhaps, peculiarly unsuited for Trade Umpires, because, accustomed to rigid rules in their own profession, they find it difficult to deal with a science of tendencies like political economy; and it is, therefore, not surprising that they should imagine a heal-all for trade-disputes may be found in that immutable relation between wages and prices, which is supplied by a Sliding Scale.

At first sight a Sliding-scale has much to recommend it in preference to any wider form of Arbitration. By its adoption wages are not left to be tardily settled according to the arbitrary will of an Umpire,

but are made to depend on a definite principle, capable of immediate application. It affords, moreover, a very fair means of indicating any alteration in the purchasing power of money which equally affects the price of labour and the price of the product on which it is expended. If, for example, when the price of a ton of coals is 9s. and the daily wages of a miner are 5s., our pound sterling should suddenly so rise in value that double the amount of every commodity and service could be obtained with it than was formerly the case, the price of coals would consequently fall to 4s. 6d. a ton and the daily wages of a miner be reduced to 2s. 6d., but, as an equal number of real gratifications could be procured with sixpence then as with a shilling before such rise in the value of money, neither coal-owners nor coal-hewers would have ought to complain of. It is impossible to say in how great a measure depressions of trade and commercial crises are due to things not being allowed to right themselves in this natural way; people become panic-stricken at an extraordinary fall of prices, and offer to it every artificial obstacle that they can clutch: the consequence is that, before things reach their level, a bitter period of transition, brimful of bankruptcy, strikes, and starvation, is needlessly prolonged. As wages and profits fall, the price of provisions and the price of everything tends to fall in like proportion. Indeed, the healing power of nature is quite as strong in things social as in things physical, and a factious opposition to change not only cannot prevent, but always intensifies, and often causes, the evils we experience. Our helpless dependence on the value of whatever circulating medium we adopt, whether it consist of gold, greenbacks, or cowries, renders every intricate question connected with a currency of most vital importance; and if all values remained constant, while only prices varied, Sliding-scales might be very useful expedients for avoiding some of the dangers caused by a shifting and shelving money market.

But those who deem a Sliding-scale capable of satisfactorily regulating wages, forget that by it they are attempting to establish a permanent relation between two things liable to be acted on by forces which have nothing in common. The value of labour and the value of its produce are each determined by special applications of the law of

supply and demand. If the price of coal fell from 9s. to 4s. 6d. a ton owing to its consumers being less eager to buy than its producers to sell, this in itself would be no valid reason why a miner should accept less than 5s. a day, since the mine-owners might intend to go on employing the same number of men and be unable to procure them elsewhere. Waiving, however, all objections to the principle involved, we are still entitled to ask whether prices or wages are to afford the standard which is to regulate the trade. Which of the two is to be the mercury and which the thermometric scale? Which to be the slide and which the groove? Which the 'shoe' and which the 'skeat'? In rising times an increase of wages causes an increase of prices far oftener than an increase of prices indirectly causes an increase of wages; while in ebbing times, any benefit temporarily accruing to manufacturers from a reduction of wages is very speedily swallowed up by a more than proportional reduction of prices. A fall of prices, therefore, affords no sound argument for a reduction of wages: if it did, those dependent on it would soon be in a position justifying Mr. Carlyle's warning words: 'Men and brothers, on your Sliding-scale you seem sliding and have slid—you little know whither.' An increase, moreover, in the other items of the cost of production, which forced manufacturers to raise their prices, would, under a Sliding-scale, increase the cost of labour also, and thus unnaturally lead to such enhanced prices as to most awkwardly prejudice the trade; if the price of coals, for example, went up so considerably as to cause the price of iron to ascend in like manner, a Sliding-scale would send up wages in the iron trade. This again would react on the price, and the price on the wages, nor would the see-sawing leave off until the demand for iron dropped and the Sliding-scale came to an untimely end. It would in fact be quite as logical to regulate iron-makers' wages by the price of wheat as by the price of iron.

At the best, a Sliding-scale can only be regarded as a permissive standard of wages, and that of the most one-sided character. In adopting it, a Confederation of Employers is liable to be bound to continue paying workmen twice or thrice the wages for which their facsimiles are eager to work, as it cannot abrogate the covenant without giving three, or even six, months' notice; while as soon as the supply of labour

falls short of the demand, and higher wages can be obtained in the open market than those appointed by the Sliding-scale, every workman can leave his Trade Union, and after a single fortnight be clear of the whole bargain. Besides this, like every other artificial scheme, a Sliding-scale offers a direct premium on dishonesty; the statements of employers, workmen are told by their leaders, are always unreliable and frequently false, but it can scarcely be imagined that an examination of invoices by accountants is any safeguard against this supposed rascality. The exact price of any article is one of the most difficult things to ascertain, and, involving, as it does, all sorts of complications respecting credit and agency, is often unknown to the seller himself until several months have sped past; but its nominal price, which can be maintained in face of a combination of sellers by considerate discounts and liberal measurement, can also be cunningly depressed in face of a Sliding-scale by means of an underhand system of commissions and returns, easily 'squared' between the seller and buyer to the prejudice of those employed by the former. But even if such a disgraceful scheme of defrauding workmen by means of a Sliding-scale were as impossible as, happily, it is improbable, there is no denying their right to be consulted as to the price of the produce, if their rate of wages is made to depend on it. They are bound to consider whether their employers are competent to effect sales upon the most advantageous terms. Their representatives, therefore, must meddle with the most delicate part of a manufacturer's business, and assist in discussing and deciding all questions of price. But the vaguest idea of any connection between wages and prices immediately gives rise to all sorts of protectionist schemes among workmen. Agricultural labourers were among the stoutest defenders of the Corn Laws since they were so imbued with sliding-scale doctrines as to think that the free importation of foreign corn would necessarily pull down their wages. Similar considerations seem to influence Mr. Macdonald, M.P., in his project for removing the present plethora, or, to use plain English, the present glut, of coal; by restricting the output, he believes that both prices and wages would rapidly ascend, whereas, in reality, the increase of prices brought about by a diminution of the supply, which will sooner or later result from a

stoppage of the worst collieries, will be very far from having anything to do with an increase of wages. Neither profits nor wages bear any settled relation to prices, and an attempt to conduct industrial operations on a system which requires that the mysteries of selling should be entrusted to employers, interested only in enhancing their nett profits without regard to prices, and to workmen, interested only in keeping up prices without regard to profits, would in the long run more hopelessly blight a trade than any of those unhappy disputes which the Sliding-scale was intended to effectually prevent. It remains to be seen whether a satisfactory solution of the labour question is to be met with in a fixed ratio, not between wages and prices, but between wages and profits.

No doubt there is an intimate connection between wages and profits. If any trade offer exceptionally favourable opportunities for the investment of capital, new works are begun and wages tend to rise; and so, too, if business prove unremunerative, capital is withdrawn and wages fall. But this natural connection between the two cannot be determined by any exact rule of proportion without producing very anomalous consequences; for, in practice, a trade may be continued for a long time without yielding a ghost of profits, yet wages need not on that account be reduced any more than by reason of a fall of prices. The system of industry, however, which is generally known under the name of Co-operation, proceeds on the principle that it is possible to hit on a scale which shall cause profits and wages to vary in like degree. This system is naturally not applied to an entire trade, for if all the profits were paid to a confederation of employers and all the wages to a Trade Union, individual interest in its success, either among capitalists or among labourers, would be so entirely abrogated as to give rise to all the bankruptcy and beggary with which wholesale Socialism would be attended; it can, therefore, only subsist between an employer and his workmen at one special establishment, and if it was capable of breaking up trade combinations without giving rise to counterbalancing evils of its own make, it should indeed be hailed with approbation. But Mr. John Stuart Mill and his disciples have been so lavish with their praises of the co-operative principle that there is no need for me to dwell on

its advantages. It supplies, they tell us, a means of avoiding all trade disputes, and is sure to become the rule of industrial life in the future. Confessing my audacious presumption in totally differing from the reigning school of English economists, it is nevertheless impossible for me to conceal my opinion that Co-operation not only increases the danger of strikes, but is also a decidedly backward movement. It implies not a union but a confusion between labour and capital; the energy of an employer must be more or less blunted if he have to divide with his workmen an increase of profits purely due to his own skill and care in the direction and superintendence of labour, and no workman will see the good of being industrious if, instead of gaining the full fruits of his special exertions, he be called on to share them with a negligent employer and less active comrades. A prudent workman at a co-operative establishment will naturally ask himself which part of his earnings consists of profits and which part of wages; if he can gain a higher rate of interest by selling his shares in the enterprise and investing them elsewhere, he will wisely do so, and if, although that be not the case, he can obtain better wages at some other works, he will betake himself thither, with no less wisdom, still keeping his shares in the co-operative venture. Hence, instead of there being only a question of wages to be settled between employers and employed, you have under the co-operative system two themes for wrangling—the same old question as to wages, and a new question as to the division of the profits. It is argued that by giving workmen a share in the profits, they will take so intense an interest in the enterprise as never to think of going on strike; but the question of the magnitude of that share is purposely slurred over. Is it to be a quarter, a half, or three-quarters? Competition alone can definitely decide, and we are thus exposed to all the tempests of the labour and capital markets. No subject indeed has been so temptingly dished up, with very doubtful honesty, as Co-operation. Information regarding instances of its failure is carefully withheld and suppressed by a certain school of politicians with all the cunning of an imperial censorship, while every case of its having partially succeeded is proclaimed to the world from lecture-room and platform with a loud flourish of sackbuts and dulcimers. The Methley

collieries, belonging to Messrs. Briggs, afford the favourite theme for these laudations of co-operative production; and notwithstanding its signal and acknowledged failure there, the very latest books published on the labour question still repeat the same golden legend. M. le Comte de Paris alone has had the courage to prominently state the truth in those studies on the state of English workmen, with which he, the heir to the crown of France, so nobly occupied the days of his exile. There could be no satisfaction with the plan on which the Methley scheme was based; a colliery practically worthless, as yielding no profits, was to give as a first charge 10 per cent.—fully  $2\frac{1}{2}$  per cent. more than the average profits of the trade—to its owners, by persuading the miners to do more work on account of the dignity and interest involved in co-operation; any excess of profits was to be equally divided between the capitalists and the labourers, with the exception that any workman who took shares was to have a bonus on his wages equal to a third of the wages given to a simple workman; thus in 1868, when a dividend of 17 per cent. was declared, the shareholders got  $13\frac{1}{2}$  per cent. of the profits and the miners only  $3\frac{1}{2}$  per cent. But, besides being thus deprived of their legitimate share in the values, their unparalleled exertion had given to the collieries, it was also attempted to keep down their wages below the rates paid at neighbouring establishments, and not without a contest did the miners gain the day; this led them naturally to again join a Trade Union, and in order to prevent their attending its meetings, Mr. Briggs, in a spirit, which might have been looked for in a petty Essex farmer, decreed that any workman who took a holiday to attend the meetings of the Union should there and then be deprived of all share in the profits which his toil had so considerably enhanced. Afterwards Mr. Briggs gave it as his opinion, Mr. Brassey, M.P., told us in his 'Work and Wages'—though he appends no note of it to his recent essays on the Labour Question—that, 'without more education, mining could not be conducted on a strictly co-operative principle.' Others may be allowed to think that the miners of Methley were already too much educated to be ensnared by the allurements of co-operation.

The Ouseburn Engine Works at Newcastle-upon-Tyne soon became



the scene of a strike, in spite of their co-operative nature, as the wages of a particular set of workmen were kept below what they could obtain in the open market. Co-operation, indeed, may be extremely useful in giving workmen sounder ideas of the difficulties and poor returns endured by capitalists, but it cannot afford the slightest aid in settling wages. Nor is the privilege of being shareholders in the establishment where they are working at all valued by the men: at the Methley collieries only 264 out of 9,770 shares were held by workmen, notwithstanding the unfair temptation held out by giving them wages exceeding by one-third those accorded to others. In the two standard examples of successful co-operation in Paris the same thing may be noticed: M. Leclair, the painter and decorator, employs 300 workmen, only 84 of whom are shareholders, and the co-operative company started by M. P. Dupont counts only 205 shareholders among 875 workmen. No doubt where it has grown up out of practical necessity and individual effort, co-operative production has sometimes managed to succeed for a season, but these rare cases are almost swamped in the host of failures, with which an endeavour to conduct it out of purely theoretical fancies has been attended. The Constituent Assembly at Paris voted over £125,000 in July, 1848, to establish co-operative associations: of this sum £37,000 were spent in creating thirty of these societies in Paris; one after another of these failed, till in 1875, a small band of file-cutters was the sole survivor of the projects set on foot by M. Louis Blanc. During the Golden Years similar ventures were started in England; the money found by the State in France being here supplied by Trade Unions, but the result was equally disastrous; the South Yorkshire Miners' Association is said to have irretrievably lost £81,000 in a single co-operative colliery. As far as I can learn, the recent history of co-operation in the United States has been just as distressing.

Of course all men do not share in that love of fixity and certainty, on which, as we have seen, the wages system is grounded; and many give way to a spirit of gambling. But it is deeply to be lamented that it is precisely those that have little, who are most given to speculation, while the more wealthy, who might try their fortune without inviting

any ruinous consequences, content themselves with sound investments. Many widows and clergymen in reduced circumstances have lost their all by putting it into Turkish Bonds or Columbian mines, and nothing could be more foolish than for English workmen to risk their savings in the cotton, iron, or coal trades. A workman who buys shares in the establishment where he is engaged, puts all his eggs into one basket: for when trade gets bad, his wages are reduced, and he gets no interest on his capital. It is, moreover, much more convenient for him to have the value of his labour paid him before the sale of the produce takes place; if he had to wait for it, he might be obliged to continue working meanwhile at lower wages than he could obtain at some distance. Since, therefore, Labour is the most moveable of the three elements of production, workmen generally receive their wages every week or fortnight, while capitalists get their profits every quarter, and landlords their rents every half-year, but such arrangements are only matters of pure convenience, and no benefit is obtained by the delay. At co-operative works, the men have to wait some six months for part of their wages, and the large deductions which have to be paid to reserve funds necessitate their receiving less for their labour than they would under ordinary circumstances. Nor can the legal condition of those employed at such establishments be very accurately determined; for no deed of partnership can provide for a participation in profits without including a participation in losses: and discipline must be much impaired by the difficulty of legally dismissing an indifferent workman who is also a shareholder. The accounts of co-operative works have necessarily to be kept with costly elaborateness, and that unity of direction which is so essential to the success of an industrial undertaking cannot easily be maintained at them: a manager really qualified for the post will have to be paid very liberally, and will soon excite the envy of his electors by his style of living; in fact he will probably cost more than would an employer of the ordinary kind. The ruin of most co-operative works may be attributed to defects in their management: very often the best workmen were raised to the directorate, and the workshop was deprived of its most useful members to the decided detriment of the office. In vain do co-operators try to obtain the services of the most able

managers, for they are all engaged and hesitate to leave their situations even at considerably increased salaries and the offer of a share in the profits. Nothing, perhaps, tells more forcibly in favour of the wages system than the insurmountable reluctance shown by efficient managers to resign the certain position afforded them by fixed salaries in order to share the risks and chances of co-operative ventures. All wage-takers surely cannot do better than follow the example of those who have the most experience of trade and the most favourable opportunities of commencing business on their own account.

Professor Fawcett is, probably, right in the opinion he often expresses that it is to agriculture that co-operation can with most advantage be applied. Agriculture is certainly the least speculative of trades, and if peasants cannot profitably sell their corn, cattle, and wool, they can at any rate feed and clothe themselves with the produce of their industry. But, as has already been observed, that inherent craving for a piece of land all to himself, which every man more or less experiences, is strongly opposed to any scheme of common tenure, and except among religious societies, co-operative husbandry must always tend to give place to peasant proprietorship. A system of paying for farm labour by a share—generally the half—of the produce has ruined some of the most fertile districts of Europe; a landowner has no interest in improving his estate when he receives only half the benefit of his outlay, and a farmer generally declines to lead any manure on to land from which he is not to have the whole crop. No other system of agriculture so forcibly reminds us that the agricultural value of land barely compensates the sacrifice of abstinence, borne in not exhausting the powers of the soil. Without, however, going again over the ground occupied in my introductory remarks on the wages system, it is necessary to clearly state the point at issue between it and the modified form of Socialism known as Co-operation. Both agree that in proportion as workmen are more industrious they should receive higher wages, and that it is the interest of their employers to hold out every inducement in this way to them. The question is whether this increased remuneration should be spread indiscriminately over the whole of them, or given to each according to his individual services. The

latter plan is based on purely business considerations, is in strict harmony with immutable justice, and cannot fail to encourage industry; the former may be very sentimental, but there is nothing more to be said for it; in the words of M. Bastiat: 'Employers who devote to this 'largesse' a tenth, a twentieth, or an hundredth part of their profits, when they have any, may make a great noise about it, and proclaim themselves the generous reformers of society; but it is not worth while to take up our time with such trifles.'

The last remedy proposed for the regulation of wages, when all other means have failed, is, of course, that the State should interfere and fix a minimum of wages, for less than which it should be penal to employ a workman. Those who place any confidence in this scheme have certainly never studied the past history of the wages question in England. A legal minimum of wages like a legal maximum would directly encourage pauperism: for if people cannot get work for the established minimum they must be thrown on the poor-rates, and be maintained in idleness at the expense of the thrifty. Or if State emigration were resorted to, the emigrants must either consist of paupers proper, or of any who chose to apply for a passage; in the first case, even if our colonies did not object to become the workhouses of Europe, industry would be discouraged and workmen tempted to turn paupers; in the second, we might easily transport beyond the seas some of our most useful citizens. Both plans would lead to heavy taxation, and thus tend to reduce wages, even if the same result did not follow of itself from population increasing to fill the gaps left by artificial emigration. But it will be said the State does interfere with the labour market in some cases, why should it not in all? It remains, then, to consider whether its interference is in any case wise. The legal restrictions on the employment of children rest on grounds widely differing from any of the rest: since children are not capable of acting for themselves, and, as Dr. Whewell puts it: 'It is the Right of the State—a Right arising out of the Duty of Self-preservation, and of the protection of Person and Property—to direct or control the education of its citizens, at least so far as is requisite to diffuse among the people a respect for the property and personal Rights of their neighbours, a

reverence for the obligation of an oath, and a general deference for Law and for the actual Laws.' But it is to be hoped that the undoubted need for compulsory education which exists at present, may only be of temporary duration: nothing can be a greater reproach on the working-classes; you not only have to provide free schools for their children, thus weakening what should be a natural and just restraint on an undue increase of population, but must pay a 'whipper-in' to make them attend. Home education is entirely neglected, technical education rendered almost impossible, except at reformatories, and no encouragement is offered to diligent study, for the only result of a boy's reaching a certain standard of proficiency at school is that he is immediately packed off to work. The complete triumph of education will be attained when it has made compulsory education no longer necessary. As to the employment of women, there is no economic reason why they should be subject to special disabilities; the law only aggravates the evils it seeks to remove, if by shutting them out of factories it compels them to earn a livelihood by harder work in their own dismal apartments. No Government Inspector can there reach them to stop that incessant—

" Work, work, work !

While the cock is crowing aloof ;

And work, work, work

Till the stars shine through the roof."

In respect to mines it may be doubted whether the anxiety of the State to do all it can to prevent accidents does not tend to sap feelings of personal responsibility among miners. Trade Unions might easily have enforced all the provisions of the Mines' Regulation Act, and won well-deserved praise for so doing. It would be curious to know whether the men at those collieries, where so fearful a loss of life has occurred, ever made use of the power legally given them to inspect the workings for themselves; at some collieries where books have been specially provided for receiving their reports and recommendations, it has been found impossible to persuade them to do anything of the sort. Mine-owners are naturally interested in having every precaution taken at all collieries, since the diminution of average danger tends to reduce

that portion of wages which is paid for the peculiar risks of the employment. Nor, although the 'Employers Liability for Injury Bill,' as framed by Mr. Macdonald, M.P., of Well Hall, would, probably, act most fatally in still further weakening individual responsibility, can the plea of 'common employment' be deemed any valid reason for hesitating to severely punish proved negligence in employing unfit workmen to the hurt of their comrades in the same way as if the injured persons were entire strangers.

Returning from this digression, to the main point of our inquiry, it would seem evident that neither Arbitration, Trade Umpires, Sliding-scales, Co-operation, nor State Interference afford any satisfactory solution of the labour question; but that, on the contrary, each of them brings new elements of discord into play, and thereby thwarts that natural means of avoiding strikes and lock-outs which is found in direct dealings between man and man. It is impossible not to admire workmen, who, throwing overboard all popular delusions on this subject, declare that they themselves are the only competent judges of what their wages should be, and refuse to trust to any of the many forms of foreign intervention we have been considering; and, on the other side, it is pretty certain that employers at the present day are anxious to do, by conducting direct negotiations, all that considerateness and forbearance can do to ward off the horrors of a trade dispute. It is, however, highly expedient for both parties to know what are the real values of their several services, and they cannot do this without taking them to the general market. There is no reason why a workman should not re-engage his employer, or an employer his workman; but by looking about them they ascertain their true positions. If there is no such custom, scruples among capitalists about 'stealing another's man' exert a stronger influence in keeping down wages than scruples among workmen about 'taking the bread out of another's mouth' can ever do in supporting them. Very much, in this way, may be said in favour of a general settlement of wages every half-year. Rumours of strikes have almost as depressing an effect on trade as rumours of war, and the chance of a lock-out occurring any morning sadly militates against that certainty of the future, which forms the sterling merit of the

wages system. The want of assurance as to constancy of employment is a very great drawback to the piece-work system: nothing is so melancholy as working half time, and rather than endure it workmen had better consent to receive 25 per cent. less wages, with full employment guaranteed. In consequence of the compulsory adoption of piece-work in the coal trade, the miners have, with pits working only two or three days a week, been placed in a most critical position; at present the allowance of free houses and coals in Durham and Northumberland—‘a relic of effete feudalism’ violating the spirit of the Mines Regulation Act—proves a blessing which cannot be too highly prized and jealously guarded. If the system of which this privilege formed part had required a series of mass-meetings, followed by an ‘Employers Liability for Maintenance Bill’ to establish it, most probably it would never have been abandoned; but the yearly agreements on which it rested were unfortunately called ‘bonds,’ a name which was admirably suited to the purposes of Radical rhetoric. Caught in this play of words, the miners surrendered their privileges, to the great satisfaction of the coalowners, and buried their bonds in the same fashion as children do their pet canaries. The agricultural labourers of the two counties, on the contrary, held by their traditions, and consequently now occupy a most enviable position compared with those engaged in other trades. The fancy that it is degrading or disadvantageous for a workman to take service for an extended term is a perfect contradiction of facts: no people have ever been so hopelessly at the mercy of their employers as the Lancashire miners, who were paid up every night, and the day labourers of the Southern counties; while, generally speaking, the higher the position of a wage-taker, the longer is the term for which he engages himself. We may, then, safely conclude that the free exchange of services between individual labourers and individual capitalists at certain regular periods can alone prevent those fitful outbursts of class passions, which are too well-known under the names of strikes and lock-outs.

To briefly wind up this rambling essay with some corollaries to this conclusion:—If Free Industry, as here explained and insisted on,

be the monstrous fallacy trade agitators declare, then let us by all means return to the Swaddled Industry of the 'dark ages;' let us replace unrecognised Trade Unions by legally constituted Guilds. It would be far better to send an artizan who takes an apprentice without leave from his comrades into penal servitude at Dartmoor, instead of secretly transporting him to America, in order to prevent his giving evidence against those who, on account of the present unhappy state of the law, have no means of enforcing the rules of their society except by blowing up his forge. It would surely be better to have a scoundrel, who dared to take less wages than his fellows permitted, decently hung inside a gaol, instead of having him kicked to death in a bye-lane. Nay; if any of the thousand and one forms of Communism, which are proposed to us, can ensure the protection of Civil, Social, and Religious Liberty from that league between Radicalism and Involuntary Trade Unionism which endeavours to stamp it out, we had far better unfurl the red flag at once. But, it is believed, that there are far less violent and far more efficient remedies at hand. The most important thing for labourers is, as has been pointed out, that they should turn capitalists themselves, not by speculating in co-operative production, but by placing their savings in some safer nest. Improvidence and intemperance are the chief causes of a low rate of wages. There is, however, no country in which such obstacles are thrown in the way of investments as in England; the attempt to issue Government bonds for £50 has completely failed owing to the difficulty of procuring them, and every railway company has some complicated system of its own, contrived to hinder as far as possible any transfer of its shares. Nothing can here be done except through banks and stock-brokers; while in Germany the thrifty peasantry simply walk into a shop and buy, over the counter, so much of the public debt, and so many railway shares, with no more trouble than if they were purchasing tea or sugar. So, too, nothing can be more absurd and baneful than the way in which the purchase of small quantities of land is here artificially retarded. More especially is this the case with the division of estates—a deed of partition, which a skilled conveyancer could condense on half-a-sheet of note paper, is spun out over sixty or seventy skins of parchment by attorneys paid by the



piece. Political Economy cannot for a moment sanction any distinction between real and personal property, and with the Ordnance Survey to go by, there is no reason why land should not be cut up and conveyed as cheaply as the map itself might be. Whether the agricultural population of England would really care to purchase land with a view to cultivating it, no one except themselves can determine. Natural causes have led to the disappearance of working landowners from our soil, and natural causes may lead to their return. Country life has greatly changed its character during the last fifty years, and its attractions have sensibly diminished; except in a few special counties, like Somerset and Shropshire, the old form of society has come to an end, and the owners of large estates have, for the most part, ceased to take any pleasure in residing on them. Nor is there any such thing as territorial influence left; most farmers will soon make a practice of voting against candidates supported by their landlords, and County Boards will gradually hand over to them the entire administration of local affairs. These circumstances cannot but tell in favour of the agricultural labourer; the bumptiousness displayed by a new generation of tenant farmers in the southern part of the island, and their short-sighted conduct in abusing their landlords and oppressing their workmen, must tend to oust them altogether. A tenant-right agitation in England can be met by an alliance between the landowners and the cultivators of the soil. The Cattle Laws in backing pasture against tillage, and the unjust incidence of the greater part of local taxation on the land, have, no doubt, something to do in preventing the restoration of the laird and yeoman class, but the great obstacle to it is, after all, to be found in the disposition of the labourers themselves; and as long as they believe that Mr. Arch will some day, after having demolished King-craft and Priest-craft, give them free holdings for nothing, they will make no genuine move towards acquiring them by the sweat of their brows, or pay any attention to thrift. An increase of population beyond what is required in manufactures may give a fresh impulse to agriculture, and tend to re-people districts deserted for the higher wages obtainable in towns; and the same result may be promoted by the revival of Art, inculcating a horror of machine-made products. Overgrown towns

with their poverty, vice, and discontent, are, as it were, the blains caused by a deficient circulation of labour.

But mere economic changes can do little to cure the evils under which society groans : for that we must look to the spread of knowledge and morality. And it is precisely those economists who advocate most strenuously the 'let alone' principle in all matters of trade and industry, that are among the first to reverence the teachings of that sister science which harmoniously completes their own. Denying the power of Acts of Parliament to make people either rich or good, they seek the renovation of the body politic among the units which compose it. Thus, instead of being confined to the colder domain of personal interest, individualism is equally concerned with those affections and sentiments which knit man to man without any reference to sordid lucre ; and looks for the realisation of its aims, both in economics and in morals, to the spread of a higher education, adapted to the special faculties and requirements of each individual citizen. The ordinary kind of elementary instruction given to those who intend following some manual occupation leaves very much to be desired ; it is calculated to neither mould good citizens, serve any technical purpose, nor provide healthy amusement. Among no other group of society is a generous, as opposed to what is currently known as a liberal education so much required ; nowhere with more danger can the cultivation of taste be entirely neglected for the purpose of forcing the reasoning faculties or of communicating 'useful knowledge' of the 'Sandford and Merton' kind. The most perfect education, let us remember, requires the concurrence of bodily and mental development : the exclusive devotion of German students, for instance, to intellectual pursuits naturally lands them in a hoggish materialism ; and it is, therefore, important that our handworking fellow-citizens should amuse themselves with mental, just as students in our universities do with physical pleasures. The more culture spreads through a nation, the less dull and isolated does life become, since frequent intercourse between its various groups more easily springs up. A sturdy Republicanism—in the original acceptation of that much abused term—is the surest safeguard against a maudlin Socialism, and, fortunately, a certain 'Je

ne sais quoi : I dinna ken wat' cements together the two opposite ends of English society. Wealth in itself has till now gained little influence among us, and, as has often been remarked, nowhere is a poor wretch of a millionaire so badly off as in our royal and lordly commonwealth. There is, of a truth, very little difference in the sentiments of country gentlemen of the old school and the most respectable class of working-men. Both agree that the ownership of land entails the duty of residing on it; while as to the Game Laws, no genuine Tory squire would ever consent to keep more game on his estate than sufficed for his own table, and for presents to his personal friends and poorer neighbours; and, to take a very trifling example of a proper spirit, he would never tolerate such a thing as 'hat worship,' but, by making the recognition mutual, would show that, instead of implying the slightest servility, it merely proved that not everyone has lapsed into that boorishness for which we are famous on the Continent. Then, too, in respect to luxury, it is held by the most birth-proud gentry in Europe for a gross breach of good manners to hurt the susceptibilities of their neighbours by adopting a style of living in complete contrast to any they can enjoy. Nor is there anything remarkable in this general harmony of ideas between those so totally differing in traditions, training, and fortune, since neither have the slightest cause to desert nature and take up with 'Brummagem' shams.

In fact, those who are most violently denounced for their supposed love of monopolies and privileges, are precisely those who consider that under the reign of perfect Liberty they would possess far more influence than they do at present; it is not from a dread of Democracy, but of Ochlocracy, that they hesitate about a wider extension of the franchise. It seems strange to think that a man, who is said to be incapable of determining the amount of his wages for himself, can form a fair opinion on every intricacy of the Eastern Question. Nor is it intended that he should, a Trade Union directs him in the one case, and a Radical Caucus is to direct him in the other. The moment people understand what is meant by Individual Liberty, few will object to bestow on them the largest measure of political equality; and it is to that day we may longingly look forward, as it

will be the end of that period of transition through which we have been passing since the beginning of this century. 'There is,' wrote Professor Wilson, 'a continual dissolving of old bonds, and a substitute of new principles of union. If it may happen that the bonds are dissolved faster than the new principles spring up,—for that period there will be relaxation and impairing of the union of society. The spirit which accompanied the closer union is in a great measure gone,—the spirit of control of opinion of the higher classes over the lower, of more intimately shown and moralising example, of befriending and salutary advice, and further, that cordial and endearing spirit that gladdened the face of every-day's life and was sunshine upon merry England.' That sunshine may ere long again pierce the clouds, but it is useless to expect it until we have secured more of that genuine Liberty without which there can neither be genuine Equality nor genuine Fraternity. In our eagerness to hasten this result there are but two possible methods of thorough-going politics: we may either level down, or we may level up. 'Extremes meet' says the favourite proverb of Coleridge, and on some points these methods may agree; but there is an irreconcilable difference between them—the difference between malicious envy and generous justice: a type of the first method is King Tarquin the Proud switching off the tallest poppies before Gabii, a type of the second, the attempt made by Poland, before she swooned finally away, not to abolish the privileges of her nobles, but to raise to the nobility every man, woman, and child, dwelling within the borders of the Sarmatian republic.





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